Preferred coverage for more complete protection.

Five customizable coverage options important to help protect businesses.

For privately held companies of all sizes and operations, coverage parts and limits can be customized to meet the specific business needs of your clients.

1. Directors, Officers & Entity Liability (D&O)
2. Employment Practices Liability (EPL)
3. Fiduciary Liability
4. Crime (Non-liability)
5. Kidnap & Ransom/Extortion (Non-liability)

In keeping pace with today's complex business environment, organizations of all kinds face significant exposures related to management liability. To help address these risks, we've enhanced our suite of customizable management liability coverages and renamed it Private Choice Preferred℠ (formerly Private Choice Premier℠).

Private Choice Preferred℠ is a flexible suite of products designed to provide comprehensive protection in one convenient package for private, healthcare and not for profit organizations.

In support of our continuing goal to provide market leading coverage, this suite was designed to stay in step with the evolving landscape and help you manage your clients' individual and corporate exposures.

Key Features Provide More Complete Coverage

- To be admitted in 48 states.
- Additional Defense Limit either combined for all Liability Coverage Parts or separate for each Liability Coverage Part as selected.
- Loss carveback for up to $1 million or the remaining policy limit, whichever is lower, for anti-trust Claims.
- Retention Reduction Credit for the lesser of $25,000 or 50% of the retention in connection with Reporting Expenses, Potential Claim Expenses and Expedited Settlements.
- The time period to elect the extended reporting provision is increased from 60 to 90 days.
- Insurer consent not required where total Loss including Defense Costs is less than the Retention amount.
- Tailored endorsements available upon request.

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Flexible coverage that works

Private Choice Preferred offers the flexibility to customize policies. For example, it's possible to:

- Elect between one and five coverage parts.
- Purchase a separate limit for each liability coverage part, or a single aggregate limit for all liability coverage parts.

1. D&O Liability

Helps protect against everyday management and business decisions.

- Insuring Agreement D is now **D&O Demand Costs** and provides coverage for **Derivative Demands** and **Books and Records Demands** that result in Claims (both **D&O Demands**).
- **D&O Inquiry Claim** under Insuring Agreements (A) Insured Person Liability and (B) Entity Reimbursement now include a request made to an **Insured Person** "without connection to an identified **Wrongful Act**" for a meeting or testimony by **Enforcement Entity** or **Insured Entity** in connection with an investigation by Enforcement Entity or a **Derivative Demand**.
- Elective Notice – no requirement to report **D&O Inquiry Claims**, with no penalty if it later becomes a timely reported **Insured Person Claim** or **Entity Claim.**
- Loss carveback for up to $1 million or the remaining policy limit of **Loss,** whichever is lower, for anti-trust **Claims**.
- **Defense Costs** now include **"SOX 304 and Dodd Frank 954 Defense Costs."**
- Definition of Loss expansions:
  - » Plaintiff attorney fees awarded by a court to a covered judgment.
  - » **Personal Asset Protection Costs**: costs incurred by CEO, President or CFO to oppose **Enforcement Entity's** effort to seize or enjoin personal assets or real property, or to obtain revocation of court order on a covered **Insured Person Claim**.
  - » Under Side A – includes **Insured Entity's** taxes imposed on **Insured Person** due to **Entity's Financial Insolvency**.
  - » Under Side A – expanding fines & penalties for "unintentional and non-willful violation" of law including the Foreign Corrupt Practices Act.
  - » Insurer will not assert that **Loss** resulting from Section 11, 12, or 15 of the '33 Act is uninsurable **Loss** (but is subject to other Policy provisions).
- More flexibility for the Additional Limit of Liability for Claims Against Managers, allowing for increase or decrease of our former set $1 million limit.

2. Employment Practices Liability

Helps protect against costly employment-related lawsuits.

- Notice period for EEOC charges increased from 180 days to 365 days after renewal date when coverage is renewed.
- **Employment Practices Wrongful Act** is amended to include "via social media or social networks."
- Amended definition of **Loss** includes attorneys' fees awarded by a court to prevailing plaintiffs' counsel pursuant to a covered judgment against an **Insured** or as an express written part of a covered settlement amount.
- Definition of **Retaliation** amended to include cooperation with internal human resource or other investigations as well as disclosing a violation of law to any superior.
- The definition of **Third Party** is expanded to include "any natural person."
- Amended **Third Party Wrongful Act** includes exception for mental anguish, humiliation and emotional distress, similar to **Employment Practices Wrongful Act**.

3. Fiduciary Liability

Helps protect against losses from claims alleging breach of fiduciary duty.

- Insuring Agreements organized for clarity and flexibility with three new Insuring Agreements; C, D and E:

  (A) Fiduciary Liability:

  Enhanced definition of **Loss** including enhanced **Civil Fines & Penalties**.

  (B) Settlement Programs:
  Settlement Fees – penalties or sanctions imposed under a voluntary compliance resolution program administered by the IRS, DOL or PBGC.

  (C) Pre-claim Investigations:
  Loss resulting from a fact-finding investigation with respect to an **Insured Plan**, without connection to an identified **Wrongful Act**, by the DOL or PBGC.

  (D) Benefit Denial Appeals:
  Loss on behalf of **Insured** resulting from appeal of an adverse benefits determination by an **Insured** pursuant to the DOL's claim procedure.

  (E) Fiduciary Inquiry Claims:
  Fiduciary Inquiry Costs in connection with request to **Insured Person** without connection to a **Wrongful Act** for interview or meeting by **Enforcement Authority**.

- **Fiduciary Liability Claim** now includes **Securities Investigation**:
  - Investigation of an **Insured Person** for a **Wrongful Act** by an **Enforcement Authority**, identifying such **Insured Person** as the target of such **Enforcement Authority**, indicating that it may commence an enforcement action against such **Insured Person** (via Wells Notice, target letter or similar doc).
- **Loss** now includes plaintiff attorney fees awarded by a court.
- **Loss** includes more sub-limited **Civil Fines & Penalties:**
  - **502(c) Penalties, 502(i) and 502(l) Fines & Penalties.**
  - **Canada Fines & Penalties.**
  - **HIPAA/HITECH Penalties.**
  - **IRS Tax Penalties.**
  - **PPACA Penalties** (Patient Protection and Affordable Care Act).
  - **UK and Ireland Fines & Penalties**, which are not subject to sublimit.
- **Fiduciary Inquiry Claim** reporting is elective with no penalty if a Fiduciary Liability Claim is later made and timely reported.
- **Wrongful Act** includes allegations of breach of fiduciary duty with respect to a **Healthcare Exchange**.
- Coverage for alleged criminal violations and fines in a **Foreign Jurisdiction** that are not criminal violations or fines in America.

4. Crime (Non-liability)

Helps protect against loss after a breach of trust.

- The definition of **"Deception Fraud"** is amended to include **"Social Engineering Fraud. "**
- **Employee Benefit Plan Coverage"** is moved to Insuring Agreement 1 for clarity.
- **"Theft of Customer's/Customer's Client's Property"** Insuring Agreement (formerly "Client Coverage") no longer requires loss to occur on the client's premises.
- Added automatic joint loss payee coverage for **Customers** with interest in **Money, Securities** or **Property**.

5. Kidnap & Ransom/Extortion (Non-liability)

Helps protect against a wide range of threats, both at home and abroad.

- "Detention" now defined to be a minimum of only 6 hours instead of 24 hours.
- Enhanced definition of **Emergency Political Repatriation** which now also means the return of an **Insured Person** in a Foreign Country to their **Resident Country** if both the **Insured Entity** and the Independent Security Consultant agree that, for political and/or security reasons, the **Insured Person** needs to leave the country.

Learn more about PCP **here** or reach out to your **Underwriter**

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General Product Description

This general product description is information only and designed for insurance producers. It is neither an offer to sell nor a solicitation to purchase any particular insurance product, and may not be disseminated to the general public. This general product description outlines the coverage(s) that may be afforded under a policy from The Hartford. All policies should be examined carefully for suitability and to identify all exclusions, limitations and other terms and conditions. In the event of a conflict between any policy and this document, the terms and conditions of the policy shall control.

About Surplus Lines Coverage

The coverage(s) identified in this general product description may be written on a surplus lines basis. Eligibility for surplus lines insurance coverage is subject to state regulations and requires the use of a surplus lines broker. Surplus lines insurance policies are generally not protected by state guaranty funds. In connection with the insurance offered herein, the broker is responsible for any disclosure or stamping requirements associated with surplus lines policies, and compliance with any declination, due diligence, or record-keeping requirements for surplus lines policies, and collection and payment of the applicable surplus lines premium taxes and any other applicable surcharges owed on each policy and to make any related filings. Surplus lines coverage is underwritten by Navigators Specialty Insurance Company, Maxum Indemnity Company, Pacific Insurance Company Ltd. (except in CT and HI) and Hartford of Illinois Insurance Company in CT and HI.

About The Hartford Underwriting Companies

The coverage(s) identified in this general product description may be underwritten by one or more of the property and casualty insurance companies of The Hartford Insurance Group, Inc. In Texas, Arizona, New Hampshire, Washington and California, this insurance is underwritten by Hartford Accident and Indemnity Company, Hartford Casualty Insurance Company, Hartford Fire Insurance Company, Hartford Insurance Company of the Midwest, Hartford Insurance Company of Illinois (CT and HI only), Hartford Lloyd's Insurance Company (TX only), Hartford Underwriters Insurance Company, Maxum Casualty Insurance Company, Maxum Indemnity Company (not licensed in CA), Navigators Insurance Company, Navigators Specialty Insurance Company (not licensed in CA), Pacific Insurance Company Ltd. (except in CT and HI) (not licensed in CA), Property and Casualty Insurance Company of Hartford, Sentinel Insurance Company, Ltd., Trumbull Insurance Company and Twin City Fire Insurance Company and its property and casualty insurance company affiliates, One Hartford Plaza, Hartford, CT 06155.

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