



## 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 next generation, 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
- No Retention for first \$25,000 incurred for E-Discovery consultant services

#### Directors and Officers and Entity Liability Coverage

- Embedded limit options available for Side-A coverage for executives
- Shareholder Derivative Demand & Books and Records sublimit
- Asset protection expense sublimited coverage for executives
- Side A environmental event coverage extension
- 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 exclusion

#### Non-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 and Civil or administrative penalties imposed upon an Insured under Canadian pension laws
- 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, as required in the U.S., 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

### Additional Service:

#### H.R. Help Line

No company is immune to employment-related exposures – even those with sound, carefully worded human resources policies and procedures. Whether it's allegations of employment-related discrimination, sexual harassment or retaliation against an employee, the cost of defending your business can be significant. To help Employment Practices Liability (EPL) policyholders manage these risks, a Risk Control resource is available at no additional charge.

The H.R. Help Line provides CNA EPL policyholders with a toll-free number to receive complimentary legal assistance from Filion Wakely Thorup Angeletti LLP, a leading national labour law firm. EPL insureds may call 844-378-6580, provide the company's policy number, and receive advice from an attorney on general information regarding employment laws and risk control strategies\*. There is no limit to the number of times that a policyholder may contact the H.R. Help Line.

## 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 visit [cnacanada.ca](http://cnacanada.ca).

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\* The Help Line is not intended to provide legal advice on specific employment actions such as termination decisions, the adequacy of a response to a claim of harassment or discrimination, a particular employee's status under wage hour or other laws, or the need for a reasonable accommodation. For legal advice on specific employment situations, policyholders retain an attorney to conduct an appropriate review of all relevant facts and circumstances. The Help Line cannot be used to report claims under any policy, or to answer any questions regarding insurance requirements or coverage.

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