



HARTFORD FINANCIAL PRODUCTS

# Private Choice Encore Takes Center Stage

*Important management liability protection for your  
midsize business clients*

Private Choice Encore offers Directors and Officers and Entity Liability (D&O); Employment Practices Liability (EPL); Fiduciary Liability and Miscellaneous Errors and Omissions Liability (E&O) in a convenient, all-in-one package. Private Choice Encore offers true flexibility in coverage parts and features groundbreaking claims management provisions. This innovation is another example of The Hartford's commitment to delivering greater value to you.

## **The Spotlight Is on Encore's Ultimate Flexibility**

Limits of Liability available under Encore can be customized to help your client strike a balance between their risk appetite and the realities of a budget.

- Flexibility to elect between two, three or four coverage parts.

- Flexibility to purchase a separate limit for each coverage part or a single aggregate limit for all coverage parts.
- Flexibility to select amount of limit for each coverage part.

## **Encore Offers State of the Art Coverage**

The management liability protection available through Encore addresses the significant exposures facing private company managers in today's complex legal environment.

## **Groundbreaking Claims Management Provisions:**

- Optional defense costs outside the limit for all coverage parts (50% of limit) or
- No "Hammer Clause" for the EPL, D&O and Fiduciary coverage parts.



### **More Key Features:**

- Subsidiary coverage, subject to a 25% acquisition threshold.
- Worldwide coverage.
- No mandatory arbitration provision.
- Coverage for controlled joint ventures.
- Punitive and exemplary damages coverage (with “most favorable venue” provision).

### **D&O Coverage**

- Derivative demand investigation costs coverage (\$250,000 sublimit).
- \$500,000 Side A reinstated limit for claims against managers (other than original claim), at no additional premium.
- Guaranteed IPO coverage quote.
- Optional entity coverage.
- Extended definition of claim.
- Generous carve-outs to the insured vs. insured exclusion.
- Final adjudication standard preserved in the fraud exclusion.
- Private placements of securities coverage with no reporting requirements.
- Waiver of the deductible for any claim that is finally resolved with no liability to the insureds.

### **Employment Practices Coverage**

Definition of Employment Practices Wrongful Act includes:

- Wrongful dismissal, discharge or termination.
- Failure or refusal to hire or promote.
- Sexual or other workplace harassment.
- Employment discrimination.
- Invasion of privacy.
- Employment-related defamation.
- Retaliation.

### **Definition of Employee Includes:**

- Temporary, seasonal or part-time.
- Leased or loaned employees.
- Independent contractors (to the extent the company provides indemnification).

### **More Key Features:**

- Optional third-party discrimination coverage.
- Audits by the Office of Federal Contract Compliance included in the definition of claim.
- No fraud/conduct exclusion.
- Waiver of the deductible for any class action that is finally resolved with no liability to the insureds.

### **Fiduciary Coverage**

- Extended definition of claim (including fact-finding investigations by the Department of Labor or the Pension Benefit Guaranty Corporation).
- ERISA section 502 (i) and 502 (l) penalties coverage.
- Waiver of the deductible for any claim that is finally resolved with no liability to the insureds.
- Definition of “Insured Plan” includes:
  - > Government-mandated programs (except workers’ compensation).
  - > Welfare and pension benefit plans sponsored by the company (ESOP coverage available by endorsement).
  - > Non-ERISA plans sponsored by the company (including excess benefit plans).
- IRS voluntary settlement program coverage (\$100,000 sublimit).

### **Miscellaneous E&O Coverage**

- Extended definition of claim (including written demands for monetary or non-monetary relief; civil proceedings; and written requests to toll or waive a statute of limitations).
- Professional services defined in schedule.

More information is available to you. Visit [www.hfpinsurance.com/mm/](http://www.hfpinsurance.com/mm/) to obtain a specimen policy form and application.

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