



**United Insurance Company Limited**

Insurance Designed For Printers

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## **UIC-EXEC-PROTECT<sup>SM</sup>**

Management Liability Insurance

For Private Graphic

Communications Companies



# UIC-EXEC-PROTECT<sup>SM</sup>

Are you constantly walking a financial tightrope? Many private company directors and officers continue to underestimate the personal risks they face.

## UIC-EXEC-PROTECT<sup>SM</sup> Management Liability Insurance for Private Graphic Communications Companies

**Owners, managers, directors, officers, trustees; these are the “executives” responsible for operating companies. In most cases a number, if not all, of these hats are worn by a small number of individuals in a privately held graphic communications company.**

Dealing with day to day operations, or making long term strategic business decisions to contribute to a healthy bottom line, can leave executives vulnerable to a variety of risks exposing them to lawsuits. These lawsuits can have a devastating impact in that the personal net worth of the owners is often tied directly to the financial well being of the company.

Most people can understand why, for public companies, management liability coverages would be no less important than property or general liability insurance. Privately held companies are now becoming more aware of the need for these protections. Since lawyers don't really care if a business is public or not, if someone believes the company has done wrong, the business, its officers and directors are likely to be sued.

### Are you financially strong enough to withstand...

- A discrimination lawsuit from multiple employees?
- A lawsuit from a disgruntled investor?
- A sexual harassment suit from a vendor?
- A lawsuit from your bank or lending source?
- An allegation of pension mismanagement from an employee?
- A threatened work stoppage by the union?

These exposures can cost your company hundreds of thousands of dollars. They can be unexpectedly frequent, catastrophic and more complex than you can imagine.

The cost of defending allegations of wrongdoing, even if they are without merit, can cripple a small to medium sized company.

Businesses need a comprehensive management liability insurance program, with coverage options to protect corporate assets as well as the personal assets of directors, officers and fiduciaries.

To help mitigate these risks, United Insurance Company Limited has developed UIC-EXEC-PROTECT<sup>SM</sup> a comprehensive, flexible, cost effective package specifically designed to address the most common risks threatening private graphic communications company executives.

### Your Protection Choices

Businesses must purchase Employment Practices Liability Insurance and then may choose the types and levels of additional protection they want and combine them in one efficient program, tailored to their individual needs. Strike and Union Organizing Defense Insurance may be purchased as stand alone policies.

- Employment Practices Liability Insurance
- Directors and Officers Liability Insurance
- Fiduciary Liability Insurance
- Strike Insurance
- Union Organizing Defense Insurance

### Flexibility is Key

You can select your level of protection. United keeps your premium low by using combined aggregate limits for all your coverage types. You may also choose deductible options to fit your comfort level.

### Outstanding Features of United's Policy:

- Coverage for punitive damages in all states
- Ability to choose your own lawyer
- No exclusion for alleged intentional acts unless there is a finding in fact

## Employment Practices Liability Insurance

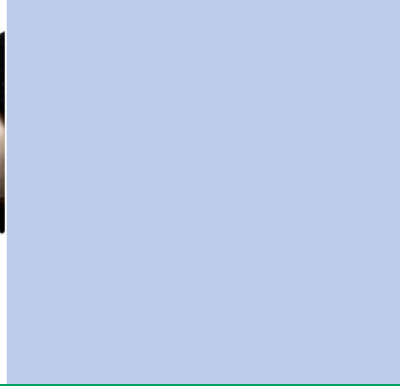
**Discrimination lawsuits have risen dramatically over the past twenty years and are expected to increase steadily over the next 5 years, with three of every five employers predicted to face a discrimination or wrongful discharge claim. In fact, discrimination lawsuits now make up almost 20% of all civil lawsuits filed in U.S. courts. The EEOC expects some 80,000 discrimination charges to be filed in the current fiscal year and claims filed are expected to rise 2% to 3% each year for the foreseeable future.**

Why these dramatic increases? Reasons cited include changes in federal discrimination laws, which allowed employees to have their cases heard by juries rather than by judges. These changes in the law also expanded the scope and amount of available damages to include back pay, reinstatement costs, attorney's fees, and compensatory and punitive damages.

These changes have attracted skilled lawyers who know how to aggressively plead an employee's case to a jury - **and win!**

Although staggering claims against large companies have been given the headlines, the majority of claims are filed against medium and small-sized firms. Prospects for the future are more frightening. Juries are becoming more sympathetic toward employees, and evolving case law is creating a more perilous legal climate for employers.

Publicity about staggering awards for damages is encouraging more claims - many having little or no validity. Costs of defending employment suits - even baseless suits - are rising at an unprecedented rate. Employment practices liability insurance is excluded from most general liability policies. Therefore, employers are turning to a specialized type of insurance to cover the cost of defending these suits and indemnifying them for costs and damages. United Insurance offers graphic communications companies its UIC-EXEC-PROTECT<sup>SM</sup> Employment Practices Liability Insurance product.



While several insurance companies have developed employment practices coverage, only one, United Insurance Company Limited, has designed a plan specifically for companies in the graphic communications industry. United's Employment Practices Liability Insurance (EPLI) provides the type of protection most needed by the industry, and is available in affordable cost ranges for small family-owned firms through the industry's largest companies.

**You are protected from claims for...**

- Wrongful Discrimination against employees, former employees or applicants for employment
- Sexual Harassment against employees, former employees or applicants for employment
- Wrongful Termination of employees
- Retaliation against employees or former employees

**Key Features of United's Policy:**

- Prior Acts coverage included
- Coverage for claims brought by past, present or prospective employees
- Insurance is available in all 50 United States and the District of Columbia
- Ability to choose your own lawyer
- Unlike other insurance companies, UIC allows you to decide when to settle. UIC will share up to 75% of claim costs above those for which it could have settled.

**Directors and Officers Liability Insurance**

**In a privately held graphic communications company, officers and directors can be held personally liable for the decisions they make. Are your company's directors and officers comfortable with their level of personal risk? Can you attract qualified outside directors without putting their personal assets at risk?**

Except for the threat of shareholder lawsuits, private companies, their boards and officers, face the same liability risks as public companies. Employees, customers, vendors, competitors and government agencies can bring a legal action against your company, its board and officers.

Unfortunately, even broad by-laws and corporate indemnities are not adequate in many cases to protect the personal assets of directors and officers. If a company cannot indemnify its directors and officers either because of the company's insolvency or the allegations of a lawsuit, this financial burden can become the personal responsibility of the directors and officers.

**Statistics indicate that one in every four privately held companies is sued every year. Typical suits brought against companies and their boards and officers include allegations of:**

- Mismanagement
- Conflicts of interest
- Misrepresentation in sale of assets
- Misrepresentation in private financing documents
- Breach of fiduciary duties
- Acts outside authority granted in by-laws
- Violation of certain state and federal laws

**In many cases litigation can last several years, becoming a continual drain on the resources of a private company.**

In order to protect directors and officers of private graphic communications companies, United Insurance Company Limited offers **UIC-EXEC-PROTECT<sup>SM</sup> Directors and Officers Liability Insurance.**

**Key Features**

- Coverage while serving on outside not-for-profit boards
- Optional Entity coverage to protect the company

**Fiduciary Liability Insurance**

**The Employee Retirement Income Security Act of 1974 (ERISA) governs employee benefit plans and regulates fiduciary responsibility. There is a broad list of the types of plans fiduciaries are responsible for. The list can include pension plans, profit sharing plans, employee stock ownership plans and even health and welfare plans. Fiduciaries can be held personally responsible for losses to a benefit plan incurred as a result of their alleged errors, omissions, improper following of participant instructions or breach of fiduciary responsibility.**

Targets for lawsuits are not limited to only fiduciaries. Employers and even the plan itself can also be targets. Claims can be brought by participants and their estates, the Department of Labor, and the Pension Benefit Guarantee Corporation.

**Claims usually include allegations of:**

- Improper advice or disclosure
- Inappropriate selection of advisors
- Imprudent investments
- Plan administration negligence
- Conflict of interest in investments
- Breach of fiduciary responsibilities or duties imposed by ERISA

To protect private graphic communications companies, their fiduciaries and the plans they manage, against fiduciary liability claims, United offers **UIC-EXEC-PROTECT<sup>SM</sup> Fiduciary Liability Insurance.** This low cost solution provides the high level of fiduciary liability protection growing businesses need.

**Key Features**

- Covers the company, its directors, officers, employees and eligible benefit plans
- Complaints brought by employees, former employees, Department of Labor, Pension Benefit Guarantee Corporation are covered
- Covers errors and omissions in the administration of employee benefit plans.

## IF YOU HAVE ANY QUESTIONS...

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## GROUP POLICY

The description of United's **UIC-EXEC-PROTECT<sup>SM</sup>** Management Liability Insurance in this brochure is designed to provide a general understanding of the available coverages, and is not intended to substitute for the terms and conditions of the group policy. Please read the group policy for scope and conditions of coverage.



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