



FIDUCIARY LIABILITY

\$145,000

At the end of an employee's new hire probationary period she was given the option to purchase medical, disability and life insurance. The Plaintiff waived the life insurance coverage via an e-mail to the HR Department. The **Insured did not obtain a signed waiver**. At open enrollment the plaintiff requested the life insurance option which would be effective 1/1. Unfortunately she was diagnosed with cancer in December and immediately terminated her position with the Insured. Her life insurance request was denied since she was not an employee as of 1/1. She later claimed that she had never been offered the life insurance at the end of her probationary period and since the company did not obtain a signed waiver they couldn't prove otherwise. If she purchased the coverage after the probationary period then coverage would've been in place at the time of her diagnosis in December.

\$55,000 defense costs only

An employee sued her employer for **unpaid medical bills** as a result of the Insured switching medical insurance carriers which offered reduced coverage.

\$110,000 defense costs only

Plaintiff alleged he purchased disability coverage at work and the premium was deducted from his paycheck. When the employee became disabled, he was told by the disability carrier that they had no record of his enrollment. He sued his employer and the disability carrier for **breach of fiduciary duty and fraud** seeking the cash equivalent of past and future disability benefit plus attorney fees.

\$350,000

An Insured received a notice from the IRS for an investigation into violation of the tax code 502(i) which involves the Insured's establishment and financing of new stock certificates for their Employee Stock Option Plan (ESOP). The **IRS prohibited the transaction and assessed fines and penalties against company**.

\$110,000

An employer was negligent in the administration of their long-term disability coverage. An employee was paying the premium for disability coverage but her claim was denied by the insurance carrier because the company **never had the employee complete the required questionnaire** which resulted in more restrictive coverage.

The above illustrate potential loss scenarios and are based on actual claims. Insurance coverage ultimately depends upon the facts of each claim and the policy terms, conditions and exclusions. This coverage may not be available in all states.