



## EMPLOYEE BENEFITS LIABILITY COVERAGE PART

In consideration of the premium and subject to the Declarations and the General Terms and Conditions, the parties agree as follows:

### I. INSURING AGREEMENT

We will pay on behalf of an **insured**, **damages** up to the applicable Limit of Liability as a result of a **claim** for a **wrongful act** that occurred during the **policy period**.

If the **wrongful act** had occurred in whole or in part prior to the **policy period**, then any continuation, change or resumption of such **wrongful act** or injury or damage arising therefrom, or any **related wrongful act** or injury or damage arising therefrom, that had occurred during or after the **policy period**, will be deemed to have occurred prior to the **policy period**.

We will pay **defense costs** in connection with a covered **claim**. Such **defense costs** are in addition to the applicable Limit of Liability.

### II. COVERAGE PART DEFINITIONS

Any defined word not defined in this Coverage Part will have the meaning assigned to it in the General Terms and Conditions.

**Administration** means:

- (i) providing information to **employees**, including their dependents and beneficiaries, with respect to eligibility for, or scope of, **employee benefits programs**;
- (ii) the handling of **employee benefits program** records;
- (iii) effecting, continuing or terminating any **employee's** participation in any benefit included in the **employee benefits program**.

**Administration** will not include handling of any payroll deductions.

**Biometric privacy** means any actual or alleged violation of any federal, state, or local statutory biometric privacy law or any such similar common law anywhere in the world, that governs or relates to the collection, use, safeguarding, handling, storage, retention, or destruction of biometric identifiers, biometric data, or biometric information.

**Bodily injury** means any actual or alleged bodily injury, sickness, disease or death sustained by a natural person; mental injury or mental anguish sustained by a natural person at any time, if such mental injury or mental anguish results as a consequence of such bodily injury, sickness or disease to such natural person.

**Cafeteria plans** mean plans authorized by applicable law to allow **employees** to elect to pay for certain benefits with pre-tax dollars.

**Claim** means any written demand (excluding a subpoena) for **damages** by an **employee** or an **employee's** dependents and beneficiaries, made against an **insured** for a **wrongful act**.

**Claim** will not include any:

- (a) demand or action seeking solely non-monetary or injunctive relief; or
- (b) criminal complaint or criminal proceeding, regardless of the allegations made against any **insured**.

**Damages** also will not include benefits to the extent that such benefits are available, with reasonable effort and cooperation of the **insured**, from the applicable funds accrued or other collectible insurance; or amounts that exceed the limits and restrictions that apply to the payment of benefits in any place included in the **employee benefits program**.

**Discrimination** means any alleged or actual violation of any **United States law** or common law, or any such equivalent or similar foreign law, which prohibits discrimination.



## EMPLOYEE BENEFITS LIABILITY COVERAGE PART

**Employee** means any natural person actively employed by, formerly employed by, on leave of absence from or disability from, or retired from a **named insured** entity. **Employee** includes a **leased worker**. **Employee** will not include a **temporary worker** or **independent contractor**.

**Employee benefits program** means a program providing any of the following benefits to **employees**:

- (i) group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts; provided that no one other than an employee may subscribe to such benefits and such benefits are made generally available to those employees who satisfy the plan's eligibility requirements;
- (ii) profit sharing plans, savings plans, stock ownership plans, pension plans and stock subscription plans; provided that no one other than an employee may subscribe to such benefits and such benefits are made generally available to all employees who are eligible under the plan for such benefits;
- (iii) unemployment insurance, social security benefits, workers' compensation and disability benefits; or
- (iv) vacation plans, including buy and sell programs; leave of absence programs; tuition assistance plans; and transportation and health club subsidies.

**ERISA** means any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (including the Consolidated Omnibus Budget Reconciliation Act of 1985)(COBRA) or similar laws, including United States federal, state and local statutory law, and any rules, regulations and amendments of such law or any such equivalent or similar foreign law.

**Executive officer** means any current and former natural person partners, officers, directors, managers, management committee members of the **named insured** entity, acting in such capacity.

**Harassment** means any actual or alleged sexual harassment or other unlawful harassment, including bullying, quid pro quo sexual harassment, or hostile work environment.

**Insured** means the **named insured** entity and/or **insured persons**.

**Insured person** means any:

- (i) **employee** authorized to administer the **employee benefits program** on behalf of the **named insured** entity;
- (ii) any **executive officers** authorized to administer the **employee benefits program** on behalf of the **named insured** entity; or
- (iii) any other person having proper temporary authorization to administer the **employee benefits program** on behalf of the **named insured** entity but only until an authorized legal representative is appointed on the **named insured** entity's behalf.

**Invasion of privacy** means any actual or alleged failure by an **insured** to secure an **employee's personal information** from unauthorized use, collection or disclosure resulting in injury to such **employee**; provided **invasion of privacy** does not include unauthorized use or disclosure based on or arising out of a **cyber event** or **biometric privacy**.

**Leased worker** means a natural person leased to the **named insured** entity by a labor leasing firm under an agreement between the **named insured** entity and the labor leasing firm, to perform duties related to the conduct of the **named insured** entity's business. **Leased worker** will not include a **temporary worker**.

**Personal information** means any nonpublic personal information relating to an identified or identifiable natural person.

**Related claim** means all **claims** arising out of: (i) a single **wrongful act**; or (ii) **related wrongful acts**. All **related claims** will be deemed a single **claim**.

**Related wrongful acts** mean all **wrongful acts** that are based on, arising out of, or are logically or causally connected by the same, or any related or common, or a series of related or common, facts, circumstances, transactions, situations, events, advice or decisions.

**Retaliation** means any actual or alleged retaliatory act by an **insured** against an **employee** arising from such **employee's**:

- (i) **whistleblower activity**;
- (ii) participation, assistance, testimony, or cooperation in any internal or external proceeding or investigation regarding violations of law by an **insured**; or
- (iii) exercise of his/her/their rights, refusal to violate any law, or opposition to any unlawful practice or activity.

**Temporary worker** means a worker who is furnished to the **named insured** to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.

**Whistleblower activity** means the lawful activity by an **employee**, with respect to any alleged wrongdoing by an **insured**, who causes information to be provided to the attention of, or otherwise assists in an investigation by, a governmental or law enforcement agency, provided such activities are protected by statute with rights and remedies for retaliation recognized under **United States law** or any such equivalent or similar foreign law.

**Workplace tort** means any:

- (i) negligent hiring, training, supervision, or evaluation of **employees**;
- (ii) failure to adopt or enforce adequate workplace or employment policies and procedures;
- (iii) employment-related false imprisonment, false arrest, detention, or malicious prosecution;
- (iv) employment-related libel, slander, defamation, or humiliation;
- (v) **invasion of privacy**; or
- (vi) employment-related wrongful infliction of emotional distress.

**Wrongful act** means any actual or alleged act, error or omission negligently committed by an **insured** in the **administration** of an **insured's employee benefits program**.

**Wrongful employment decision** means any:

- (i) actual or constructive wrongful dismissal, discharge, or termination of employment;
- (ii) wrongful deprivation of career opportunity, demotion, failure to grant tenure, failure to train, failure to employ or promote, or failure to advance to the status of partner or equity partner;
- (iii) employment related misrepresentation, including inducement to become or remain employed based on an erroneous job description; or
- (iv) wrongful discipline of **employees**.

**Wrongful employment practice** means any actual or alleged employment related act, error, or omission including:

- (i) breach of any written employment contract or agreement;
- (ii) **discrimination**;
- (iii) **harassment**;
- (iv) **retaliation**;
- (v) **workplace tort**;
- (vi) violation of wage, pay or labor requirements or standards: or
- (vii) **wrongful employment decision**,

or any other matter relating to the responsibilities, obligations or duties of an employer to any **employee**, or prospective employee, as imposed by **United States law** or common law, or any such equivalent or similar foreign law.



### III. COVERAGE PART EXCLUSIONS

This Coverage Part does not apply to any **claim, damages, defense costs**, expenses, fees or loss:

BODILY INJURY, PROPERTY DAMAGE, PROFESSIONAL SERVICES, PERSONAL AND ADVERTISING INJURY, WRONGFUL EMPLOYMENT PRACTICE, OR ERISA

based on, or arising out of, any actual or alleged **bodily injury, property damage, professional services, personal and advertising injury, wrongful employment practice** or **ERISA**;

EMPLOYEE BENEFIT TERMINATION

based on, or arising out of, any actual or alleged termination of any benefit provided by an **employee benefit program**;

FAILURE TO PERFORM A CONTRACT

based on, or arising out of, any actual or alleged failure of performance of contract by any insurer;

INADEQUACY OF PERFORMANCE OF INVESTMENT/ADVICE GIVEN WITH RESPECT TO PARTICIPATION

based on, or arising out of, any actual or alleged:

- (i) failure of any investment to perform;
- (ii) errors in providing information on past performance of investment vehicles; or
- (iii) advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the **employee benefits program**;

INSUFFICIENCY OF FUNDS

based on, or arising out of, any actual or alleged insufficiency of funds to meet any obligation under any plan included in the **employee benefits program**;

### IV. COVERAGE PART LIMITS OF LIABILITY AND RELATED CLAIMS

#### A. Limit of Liability – Each Employee Limit

Subject to paragraph B below, the most we will pay for **damages** for all **claims** made by or behalf of any one **employee**, including such **employee's** dependents or beneficiaries, is set forth in the Declarations.

#### B. Coverage Part Limit of Liability – Aggregate Limit

The most we will pay for **damages** for all **claims** afforded coverage in this Coverage Part is the amount set forth in the Declarations as the Employee Benefits Liability (“EBL”) Aggregate Limit. This EBL Aggregate Limit, subject to the provisions of this policy, is the most we will pay as **damages** regardless of the number of **claims, insureds, incidents**, parties or requests for coverage in this Coverage Part.

#### C. Related Claims

With respect to any **claim** alleging, based on, arising out of, or in any way involving, in whole or in part, **related wrongful acts**, the each **claim** Limit of Liability applicable to the policy in effect at the time the earliest of the **related wrongful acts** first occurred will be the maximum amount available for such **claim**. In addition, all **related claims** will be treated as one **claim** that is subject to coverage only under the policy in effect at the time the earliest of the **related wrongful acts** underlying such **claim** first occurred.

#### D. Settlement of Claims

We have the right to settle any **claim** as we deem reasonable.