

**Encore Fiduciary** (Formerly *Euclid Fiduciary*) is a premier fiduciary liability insurance underwriting company. We protect America's employee benefit plan sponsors based on our superior fiduciary expertise and experience. We are known as fiduciary liability thought leaders and advocates for America's plan sponsors. Starting in 2011, Encore Fiduciary has grown into the choice of many of America's most sophisticated and complex single-employer, multi-employer, and governmental employee benefit plans.

## Fiduciary Liability Insurance

### « Niches

- Multiemployer plans
- Governmental plans including Public Employee & State Retirement Systems, Fire/Police Pension Systems, State/County/City plans and others
- Non-Profit Employee Benefit plans including VEBA's, Endowments, Church plans, Foundations, 457 and 403(b)
- Single Employer/For-Profit plan sponsors including defined benefit, cash balance, health, 401(k), SEP plans and profit-sharing plans

### « Overview

The Encore Fiduciary policy is a market leading fiduciary program for Employee Benefit plans.

### « Highlights

- Duty to defend with choice of counsel provision
- No hammer clause
- Penalty coverages: EPCRS; IRS CAP; VCRS; 502(i) and 502(l); PPACA; Section 4975 of the Internal Revenue Code; and Section 203 – Death Master File Penalties for civil penalties
- Voluntary compliance programs
- 502(c)/Pension Protection Act – loss in the form of civil penalties or any excise tax imposed pursuant to 502(c) of ERISA and the Pension Protection Act of 2006.
- Full statutory limits for HIPAA/HITECH
- Vanguard Elite coverage – full settlor coverage, pre-claim investigation costs at policy limit, managed care services, and interview coverage for regulatory investigations. Enforcement unit includes but not limited to DOL, HHS, IRS, PBGC, DOJ, SEC and Attorney General
- Trustee Claim Expenses/Non-fiduciary coverage
- Miscellaneous/Other Penalties – Encore was the first market to provide a penalty safety net for other fines, taxes or penalties imposed by the DOL, IRS or similar regulatory body
- Penalty Box – optional coverage expands penalty coverage when underlying sublimit is exhausted
- First party cyber coverage – content restoration and crisis notification expenditures for information breaches
- Benefit Overpayment Coverage for overpayments due to miscalculation
- Section 301 of the LMRA
- Independent fiduciary expenses
- ERISA 502(a)(3) equitable relief and surcharges
- Renewal guarantee endorsement available
- Side A coverage for individual trustees also available
- Reinstatement of Sublimit Endorsement for Voluntary Compliance Program Expenditures coverage available
- Claims expertise – our professionals have legal and fiduciary expertise with the authority to act to resolve complex claims

## 《 Governmental Benefit Plans

Encore has a better approach for fiduciary insurance for governmental plans. We provide transparency and choice based on the level of indemnification available to fiduciaries as many plans unsuspectingly purchase insurance that does not provide full coverage.

Encore offers indemnifiable and non-indemnifiable options for governmental plans, including Side A-only coverage:

- **Option 1** - Full coverage approach: this approach provides full coverage irrespective of whether governmental indemnification or sovereign immunity applies. We can also offer full settlor coverage, as well as a defense limit for non-fiduciary claims, for qualified plans.
- **Option 2** - Non-Indemnifiable approach: a more limited and less expensive approach is also offered that matches typical coverage offered by most carriers. This policy responds only if the loss is non-indemnifiable, thus a less expensive option for the Plan.
- **Option 3** - We also offer "A side" coverage which covers only the individual Trustees when sued for breach of fiduciary duty. Typically available only for D&O insurance, Encore has introduced this valuable concept to the fiduciary liability insurance market.
- D&O, EPL and Crime available for governmental benefit plan accounts

## 《 Carrier

Hudson Insurance Company rated "A+" (Superior), Financial Size Category XV by A.M. Best. Admitted program.

## 《 Capacity

\$15 million on primary or excess basis.

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## Erisa Fidelity Bonds/Crime Policies

### 《 Niches

- Multiemployer plans
- Governmental plans (crime policies)
- Non-Profit Employee Benefit plans including VEBA's, Endowments, Church plans, Foundations, 457 and 403(b) plans
- For-Profit plan sponsors including defined benefit, cash balance, health, 401(k), SEP plans and profit-sharing plans

### 《 Overview

Encore Fiduciary has the best ERISA fidelity bond on the market to protect employee benefit plans that meets and exceeds ERISA requirements.

## « Highlights

- Meets Employee Retirement Income Security Act (ERISA) standards. Many industry-standard bonds do not meet the ERISA fraud and dishonesty standard and fail to satisfy ERISA Section 412(a) and (b).
- Whereas many crime policies only cover employees for employee theft, “employee” is broadly defined in the Encore policy to include “any other natural person who handles Employee Benefit Plan assets, **whether or not required to be bonded...**” This is the broadest scope of coverage available.
- Coverage is provided beyond standard “employee theft” language to cover “fraud or dishonesty” that meets the ERISA standard.
- No retention for ERISA plans for Employee Theft.
- Cyber Deception/Payment Instruction Fraud coverage is available. This valuable option provides coverage for “the intentional misleading or deception of an Employee through social engineering, pretexting, phishing or any other confidence trick communicated by email, text, instant message, telephone or other electronic means.”
- Additional third-party crime coverages available beyond the typical fidelity bond for:
  - Depositors Forgery or Alteration
  - Inside and Outside the Premises
  - Money, Securities and Other Property
  - Computer and Funds Transfer Fraud
  - Money Orders and Counterfeit Currency
- Investigative Expenses sublimit included covers expenses paid by Insured in establishing existence and amount of direct loss.
- Three-year policies are available with annual installment or pre-pay options.

## « Carrier

Hudson Insurance Company rated “A+” (Superior), Financial Size Category XV by A.M. Best. Admitted program. Treasury listed.

## « Capacity

\$10 million on a primary or excess basis.

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## Labor Professional Liability Insurance

### « Niches

- Labor non-profits including International Unions, District Councils, Local Unions, JATC’s, LMCC’s FOP’s, PBA’s, Guild’s and other non-profits.

### « Overview

Our Labor Professional Liability policy is customized for 501(c)(5) labor entities, providing defense and indemnity, including wrongful acts such as breach of duty of fair representation, employment practices and personal injury. Includes optional Individual Labor Leader coverage to cover individual liability that cannot be indemnified by a Labor Union under federal law.

## « Highlights

- Covers union exposures, including collective bargaining, duty of fair representation, and handling grievances
- Financial management exposures in running a union
- Employment practices liability, including discrimination, harassment and constructive termination; and
- Personal injury, including libel, slander and invasion of privacy.
- Two important benefits – **defense and indemnity**:
  - Cost of defending a union or entity, officer or director accused of violating any of four areas above; and
  - Indemnity to the union/entity, officer or director for their alleged breach of duty and negligent error or commission in the event of a settlement or judgement of liability. Defense fees and costs can be significant, even with a valid defense.
- EPLI third party available by endorsement
- Educators liability available for JATC's and Boards.
- Claims are managed by Encore staff with expertise and unique knowledge of labor unions and related non-profits.
- Individual Labor Leader coverage available for union officials facing allegations of personal profit, fraud or conflict of interest.

## « Carrier

Hudson Insurance Company rated "A+" (Superior), Financial Size Category XV by A.M. Best. Admitted program.

## « Capacity

\$5 million on primary or excess basis.

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## Make the Prudent Choice

Encore Fiduciary specializes in fiduciary and other management liability insurance for single-employer, multi-employer, governmental and other non-profit employee benefit plans, with over 15,000 policies issued in this niche. Known for our expertise and thought leadership in protecting Insureds from complex liability, we also offer Directors & Officers Liability, Employment Practices Liability, Cyber Liability and Crime Insurance Coverages to employee benefit plans and plan officials.

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*Please note: This brochure provides an overview of coverages available. It does not replace or change the policy. Coverage will be dictated by your policy's specific terms and conditions. Products may not be available in all states. Encore Fiduciary, Division of Specialty Program Group, LLC. Doing business in California as SPG Insurance Solutions License No. 0L09546 - Product Overview 01/2024.*

### Contact Encore Fiduciary

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### Euclid Fiduciary is Now Encore Fiduciary

To learn more about the story behind the rebranding, changes and FAQs.

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