

SERFF Tracking Number: WESA-125692468 State: Arkansas
Filing Company: United States Liability Insurance Company State Tracking Number: #29545 \$50
Company Tracking Number: PROF-PO-08-34
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1019 Professional Errors & Omissions Liability
Product Name: Public Officials Liability - Special Service Districts Professional Liability Product
Project Name/Number: Submission of revised endorsement - PO-214/PROF-PO-08-34

Filing at a Glance

Company: United States Liability Insurance Company

Product Name: Public Officials Liability - Special Service Districts Professional Liability SERFF Tr Num: WESA-125692468 State: Arkansas

Product

TOI: 17.1 Other Liability - Claims Made Only

SERFF Status: Closed

State Tr Num: #29545 \$50

Sub-TOI: 17.1019 Professional Errors & Omissions Liability

Co Tr Num: PROF-PO-08-34

State Status: Fees verified and received

Filing Type: Form

Co Status:

Reviewer(s): Betty Montesi, Edith Roberts

Author: Westmont Associates

Disposition Date: 09/02/2008

Date Submitted: 06/23/2008

Disposition Status: Approved

Effective Date Requested (New): On Approval

Effective Date (New):

Effective Date Requested (Renewal): On Approval

Effective Date (Renewal):

State Filing Description:

General Information

Project Name: Submission of revised endorsement - PO-214

Status of Filing in Domicile: Pending

Project Number: PROF-PO-08-34

Domicile Status Comments: Pending in PA

Reference Organization: None

Reference Number: None

Reference Title: None

Advisory Org. Circular: None

Filing Status Changed: 09/02/2008

State Status Changed: 06/25/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

The Company is filing a revised version of its Fiduciary Liability Coverage Endorsement (PO-214) for your review and approval.

SERFF Tracking Number: WESA-125692468 State: Arkansas
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Company and Contact

Filing Contact Information

(This filing was made by a third party - westmontassociatesinc)

Wesley Pohler, AVP wes@westmontlaw.com
 25 Chestnut Street (856) 216-0220 [Phone]
 Haddonfield, NJ 08033 (856) 216-0303[FAX]

Filing Company Information

United States Liability Insurance Company CoCode: 25895 State of Domicile: Pennsylvania
 25 Chestnut Street Group Code: 31 Company Type: Property and Casualty

Suite 105
 Haddonfield, NJ 08033 Group Name: State ID Number:
 (856) 216-0220 ext. [Phone] FEIN Number: 23-1383313

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation: \$50 - AR FEE
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
United States Liability Insurance Company	\$0.00	06/23/2008	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
29545	\$50.00	06/12/2008

SERFF Tracking Number: WESA-125692468 State: Arkansas
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	09/02/2008	09/02/2008
Approved	Edith Roberts	07/02/2008	07/16/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Edith Roberts	06/25/2008	06/25/2008	Westmont Associates	07/01/2008	07/01/2008

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Arkansas Fiduciary Liability Coverage Endorsement	Form	Westmont Associates	07/28/2008	07/28/2008
Side-By-Side Comparison	Supporting Document	Westmont Associates	07/28/2008	07/28/2008
Arkansas Fiduciary Liability Coverage Endorsement	Form	Westmont Associates	07/22/2008	07/22/2008
Side by Side	Supporting Document	Westmont	07/22/2008	07/22/2008

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Comparison **Associates**

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Project Name/Number: Submission of revised endorsement - PO-214/PROF-PO-08-34

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Revised Endorsement	Note To Reviewer	Westmont Associates	07/17/2008	07/17/2008

SERFF Tracking Number: WESA-125692468 *State:* Arkansas
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Disposition

Disposition Date: 09/02/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment: Filing re-opened for amendments.

Rate data does NOT apply to filing.

SERFF Tracking Number: WESA-125692468 State: Arkansas
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 Project Name/Number: Submission of revised endorsement - PO-214/PROF-PO-08-34

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Letter of Authorization	Approved	Yes
Supporting Document (revised)	Side by Side Comparison	Approved	Yes
Supporting Document	Side by Side Comparison	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Side-By-Side Comparison	Approved	Yes
Form (revised)	Arkansas Fiduciary Liability Coverage Endorsement	Approved	Yes
Form	Arkansas Fiduciary Liability Coverage Endorsement	Approved	Yes
Form	Arkansas Fiduciary Liability Coverage Endorsement	Approved	Yes
Form	Fiduciary Liability Coverage Endorsement	Approved	Yes

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Disposition

Disposition Date: 07/16/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Letter of Authorization	Approved	Yes
Supporting Document (revised)	Side by Side Comparison	Approved	Yes
Supporting Document	Side by Side Comparison	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Side-By-Side Comparison	Approved	Yes
Form (revised)	Arkansas Fiduciary Liability Coverage Endorsement	Approved	Yes
Form	Arkansas Fiduciary Liability Coverage Endorsement	Approved	Yes
Form	Arkansas Fiduciary Liability Coverage Endorsement	Approved	Yes
Form	Fiduciary Liability Coverage Endorsement	Approved	Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 06/25/2008
Submitted Date 06/25/2008
Respond By Date
Dear Wesley Pohler,

This will acknowledge receipt of the captioned filing.

Please reference Form PO-214 (6-08), Page 3, Section VI, which states "maximum limit of liability...shall be the lessor of the amount specified in the Policy Declarations...or \$1,000,000.

AID Order # 2003-0108 requires that the minimum limit of liability for Fiduciary/Trust coverage, be no less than \$1,000,000 if the coverage contains defense payments within the limits of liability.

AID Order # 2007-046 requires that the minimum limit of liability for Misc. E&O (the only order under which Public Officials may be exempt), be no less than \$1,000,000 if the coverage contains defense payments within the limits of liability.

You must change the minimum limit requirement to \$1,000,000 if this coverage is intended to be written with defense within the limits of liability.

Please let me know how you wish to amend.

Please feel free to contact me if you have questions.

Sincerely,
Edith Roberts

Response Letter

Response Letter Status Submitted to State
Response Letter Date 07/01/2008
Submitted Date 07/01/2008

Dear Edith Roberts,

SERFF Tracking Number: WESA-125692468 State: Arkansas
 Filing Company: United States Liability Insurance Company State Tracking Number: #29545 \$50
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 Project Name/Number: Submission of revised endorsement - PO-214/PROF-PO-08-34

Comments:

Response 1

Comments: Thanks Edith. Attached is the revised endorsement.

Best regards,

Wes

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Arkansas Fiduciary Liability Coverage Endorsement	PO-214 AR	6 08	Endorsement/Amendment/Conditions	Replaced		0	PO 214 (06-08) ar.pdf
Previous Version							
Fiduciary Liability Coverage Endorsement	PO-214	6 08	Endorsement/Amendment/Conditions	Replaced		0	PO 214 (06-08).pdf

No Rate/Rule Schedule items changed.

Sincerely,
 Westmont Associates

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 Product Name: Public Officials Liability - Special Service Districts Professional Liability Product
 Project Name/Number: Submission of revised endorsement - PO-214/PROF-PO-08-34

Amendment Letter

Amendment Date:
 Submitted Date: 07/28/2008

Comments:

Good Afternoon:

As you are aware, I sent an amendment on 7/22/08 which included a revised version of previously approved form PO-214; however, I failed to include the Arkansas-specific version of the revised form.

As such, attached please find revised form PO-214 AR, as well as a revised side-by-side comparison reflecting the changes made to the state-specific form.

I apologize for any confusion this may have caused. Feel free to contact me if you have any questions or require additional information.

Thank You,
 Jennifer Waldron
 Westmont Associates, Inc.
 (856) 216-0220

Changed Items:

Form Schedule Item Changes:

Form Name	Form Number	Edition Date	Form Type	Action	Replaced Form #	Previous Filing #	Readability Score	Attachments
Arkansas Fiduciary Liability Coverage Endorsement	PO-214 AR	7 08	Endorsement/Amendment/Conditions	Replaced	PO 214 (10-03)		0	PO 214 (06-08) ar.pdf

Supporting Document Schedule Item Changes:

User Added -Name: Side-By-Side Comparison

Comment: Attached is a side-by-side comparison reflecting the changes being made to previously approved form PO-214 AR.

SERFF Tracking Number: WESA-125692468 *State:* Arkansas
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Project Name/Number: Submission of revised endorsement - PO-214/PROF-PO-08-34

PO 214 (06-08) ar comparison.pdf

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 Product Name: Public Officials Liability - Special Service Districts Professional Liability Product
 Project Name/Number: Submission of revised endorsement - PO-214/PROF-PO-08-34

Amendment Letter

Amendment Date:
 Submitted Date: 07/22/2008

Comments:

Good Morning:

Thank for your assistance in reopening this submission. Attached please find a corrected version of form PO-214, as well as a revised side-by-side comparison.

Feel free to contact me if you have any questions or require additional information.

Changed Items:

Form Schedule Item Changes:

Form Name	Form Number	Edition Date	Form Type	Action	Replaced Form #	Previous Filing #	Readability Score	Attachments
Arkansas Fiduciary Liability Coverage Endorsement	PO-214 AR	6 08	Endorsement/Amendment/Conditions	Replaced	PO 214 (10-03)		0	PO 214 (06-08).pdf

Supporting Document Schedule Item Changes:

User Added -Name: Side by Side Comparison

Comment: Attached is the side by side comparison showing the changes between the Company's new Fiduciary Liability Coverage Endorsement and the currently filed form.
 PO 214 Comparison.pdf

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Project Name/Number: Submission of revised endorsement - PO-214/PROF-PO-08-34

Note To Reviewer

Created By:

Westmont Associates on 07/17/2008 09:52 AM

Subject:

Revised Endorsement

Comments:

Dear Ms. Roberts:

I am writing in regard to the above referenced submission that was approved by your Department effective 7/16/08.

The Company has recently noticed a minor revision that needs to be made to form PO-214. As this filing was recently approved, we were wondering if we can simply submit the revised endorsement to be added to this approved filing or if a new filing submission will need to be made in order to correct this error.

Any assistance you can provide with regard to this matter would be greatly appreciated. I look forward to hearing from you soon.

Sincerely,

Jennifer Waldron

Westmont Associates, Inc.

(856) 216-0220

SERFF Tracking Number: WESA-125692468 State: Arkansas
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 Project Name/Number: Submission of revised endorsement - PO-214/PROF-PO-08-34

Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Arkansas Fiduciary Liability AR Coverage Endorsement	PO-214	7 08	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00 PO 214 (10-03) Previous Filing #:		PO 214 (06-08) ar.pdf

**UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA**

This Endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS LIABILITY SPECIAL SERVICE DISTRICTS POLICY

ARKANSAS FIDUCIARY LIABILITY COVERAGE ENDORSEMENT

This endorsement provides coverage for **Loss** (as defined herein) and **Defense Costs** (as defined herein) for a **Wrongful Fiduciary Act** (as defined herein). There is no coverage provided by this endorsement for the **Administration** of any **Plan**.

For purposes of coverage provided by this endorsement only, USL POJ (10-03) COMMON POLICY CONDITIONS and PO-100 (10-03) PUBLIC OFFICIALS LIABILITY is amended as follows:

- I. The terms and conditions of the above referenced coverage forms that are applicable to “**Wrongful Act**” shall also apply to “**Wrongful Fiduciary Act**” except for Section VI. Unlimited Reporting Period For Former Elected/Appointed Officials.
- II. Section III. DEFINITIONS, is amended as follows:
 - E. “**Employee**” does not include an independent contractor, volunteer or intern.
 - G. “**Insured**”, is deleted and replaced with the following:

“**Insured**” means the **Public Entity**, an **Employee Benefit Plan** and any **Fiduciary**.
 - H. “**Loss**” shall include damages and settlements which an **Insured** is legally obligated to pay as a result of a **Wrongful Fiduciary Act**, including a civil penalty of up to five percent (5%) imposed upon any **Fiduciary** under Section 502 (i) of **ERISA** and a civil penalty of up to twenty percent (20%) imposed upon an **Insured** under section 502 (l) of **ERISA**.

“**Loss**” does not mean:

 - a. That portion of any settlement or judgment which constitutes benefits due or to become due or which would be due, under the terms of an **Employee Benefit Plan**, including but not limited to attorney fees incurred by a beneficiary to recover benefits except to the extent that benefits and attorney fees are payable as a personal obligation of a **Fiduciary** because of a **Wrongful Fiduciary Act**;
 - b. Any **Loss** which is based upon, arises out of or is in consequence of the failure of an **Insured** to collect or ensure the collection of contributions owed by the **Public Entity** to an **Employee Benefit Plan** unless the failure is because of the negligence of any **Fiduciary**; or
 - c. The return or reversion to the **Organization** of any **Employee’s** contribution to the **Insured** if such contribution is or could be chargeable to any **Employee Benefit Plan**.

III. Section III. DEFINITIONS is amended to add the following:

O. “**Administration**” means providing advice, counsel, notice or interpretation to individual **Employees**, participants or beneficiaries with respect to an **Employee Benefit Plan**; handling individual records in connection with an **Employee Benefit Plan**; or performing duties in connection with the enrollment, termination or cancellation of **Employees**, participants or beneficiaries under an **Employee Benefit Plan**. “**Administration**” does not mean performing duties required under **ERISA** for the notification and education of plan participants as a group, concerning any **Employee Benefits Plan**.

P. “**ERISA**” means the Employee Retirement Income Security Act of 1974.

Q. “**Fiduciary**” means any past, present or future director, officer, trustee or **Employee** of the **Public Entity** who exercises discretionary authority or discretionary control respecting management of an **Employee Benefit Plan** or management or disposition of its assets, renders or has authority or responsibility to render investment advice for a fee, or has discretionary authority or responsibility in the administration of such plan.

R. “**Fiduciary Claim**” means:

(1) Any written notice received by any **Insured** that any person or entity intends to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(2) Any written demand for monetary or non-monetary relief received by any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(3) Any judicial or administrative proceeding initiated against any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**.

A **Fiduciary Claim** shall be considered first made when an **Insured** or its legal representative or agent first receives notice of such claim.

S. “**Employee Benefit Plan**” means any employee welfare benefit plan(s) or employee pension benefit plan(s) identified in the **Application** for this Policy as each are defined by **ERISA**, which is sponsored by the **Public Entity** solely for the benefit of **Employees** of the **Public Entity**. **Employee Benefit Plan** does not mean workers’ compensation, unemployment insurance, social security, or disability benefits or any similar benefits provided under any federal, state, or local law or common law.

T. “**Wrongful Fiduciary Act**” means any actual or alleged breach of the responsibilities, obligations or duties imposed on a **Fiduciary** by **ERISA**. The same **Wrongful Fiduciary Act**, and interrelated series of **Wrongful Fiduciary Acts** or a series of similar or related **Wrongful Fiduciary Acts** by one or more **Insureds** shall be deemed to be one **Wrongful Fiduciary Act** and to have commenced at the time of the earliest **Wrongful Fiduciary Act**.

However, **Wrongful Fiduciary Act** does not mean any actual or alleged negligent act, error or omission in the **Administration** of any **Employee Benefit Plan** by a **Fiduciary** or the **Public Entity**.

IV. Section IV, EXCLUSIONS, H. is deleted in its entirety.

V. Section IV, EXCLUSIONS is amended to add the following:

U. The **Company** shall not be liable to pay any **Loss** or **Defense Costs** in connection with any **Fiduciary Claim** made against the **Public Entity** or any **Fiduciary** based upon, directly or indirectly arising out of or in any way involving the **Public Entity's** or **Fiduciary's** failure to obtain or maintain adequate insurance or bonds covering **Employee Benefit Plan** property or assets.

VI. Section V, LIMITS OF LIABILITY AND RETENTION, is amended to add the following:

J. The maximum limit of liability of the **Company** for Fiduciary Liability under this endorsement shall be the amount specified in the Policy Declarations as "IN THE AGGREGATE". However, if the "IN THE AGGREGATE" limit is less than \$1,000,000, the limit of liability for Fiduciary Liability shall be \$1,000,000. **Defense Costs** for any **Fiduciary Claim** are included in and not in addition to the maximum limit of liability as set forth herein.

VII. The following is added to Section XII. CHANGES IN EXPOSURE:

If after the inception date of this Policy:

- (1) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with an **Employee Benefit Plan** for which coverage is also provided under this Policy, this Policy shall continue in full force and effect as respects both plans; or
- (2) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with another **Employee Benefit Plan** for which coverage is not provided under this Policy, this Policy shall continue in full force and effect as respects the Covered Plan as to a **Wrongful Fiduciary Act** occurring prior to the date of such merger, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the merger; or
- (3) an **Employee Benefit Plan** is sold or terminated, this Policy shall continue in full force and effect as respects a **Wrongful Fiduciary Act** occurring prior to the date of the sale or termination, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the date of the sale or termination;

provided that the **Parent Organization** shall give the **Company** written notice of such merger, sale or termination as soon as practicable, but not later than 30 days after the effective date of the merger, sale or termination.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of your Policy and takes effect on the effective date of your Policy unless another effective date is shown.

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Rate Information

Rate data does NOT apply to filing.

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Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 07/02/2008

Comments:
Attached is the NAIC set.

Attachment:
PO NAIC.pdf

Satisfied -Name: Letter of Authorization **Review Status:** Approved 07/02/2008

Comments:
Attached is the Letter of Authorization

Attachment:
Westmont Authorization Letter.pdf

Satisfied -Name: Side by Side Comparison **Review Status:** Approved 09/02/2008

Comments:
Attached is the side by side comparison showing the changes between the Company's new Fiduciary Liability Coverage Endorsement and the currently filed form.

Attachment:
PO 214 Comparison.pdf

Satisfied -Name: Cover Letter **Review Status:** Approved 07/02/2008

Comments:
Attached is the cover letter for the filing.

Attachment:
Cover USLI.pdf

Satisfied -Name: Side-By-Side Comparison **Review Status:** Approved 09/02/2008

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Comments:

Attached is a side-by-side comparison reflecting the changes being made to previously approved form PO-214 AR.

Attachment:

PO 214 (06-08) ar comparison.pdf

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: New Business Renewal Business f. State Filing #: g. SERFF Filing #: h. Subject Codes
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3. Group Name	Group NAIC #

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #

5. Company Tracking Number	
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail

7. Signature of authorized filer	
8. Please print name of authorized filer	

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	
10. Sub-Type of Insurance (Sub-TOI)	
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: _____ Renewal: _____
15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

22. Filing Fees (Filer must provide check # and fee amount if applicable)
[If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #:
Amount:

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

PC TD-1 pg 2 of 2

FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	
-----------	--	--

2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	
-----------	---	--

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	
-----------	--	--

2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	
-----------	---	--

Rate Increase
 Rate Decrease
 Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)	
-----------	--	--

4a.	Rate Change by Company (As Proposed)
------------	---

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)

4b.	Rate Change by Company (As Accepted) For State Use Only
------------	--

Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5.	Overall Rate Information (Complete for Multiple Company Filings only)
-----------	--

		COMPANY USE	STATE USE
5a	Overall percentage rate indication (when applicable)		
5b	Overall percentage rate impact for this filing		
5c	Effect of Rate Filing – Written premium change for this program		
5d	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	
-----------	---	--

7.	Effective Date of last rate revision	
-----------	---	--

8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	
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9.	Rule # or Page # Submitted for Review	Replacement or withdrawn?	Previous state filing number, if required by state
01		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	



UNITED STATES LIABILITY INSURANCE GROUP

A BERKSHIRE HATHAWAY COMPANY

190 South Warner Road, P.O. Box 6700, Wayne, PA 19087-4391
610.688.2535 888.523.5545 Fax 610.688.4391

1/7/2008

RE: United States Liability Ins Company: NAIC #0031-25895 FEIN#23-1383313
Mount Vernon Fire Insurance Company NAIC #0031-26522 FEIN#23-1575334
U.S. Underwriters Insurance Company NAIC #0031-35416 FEIN#23-2049904

Dear Sir or Madam,

In accordance with the applicable statutes and regulations of your state, Nancy Stepanski and Westmont Associates, Inc. is hereby authorized to file form, rate and rule filings on behalf of the above captioned companies.

Sincerely,

Mark Miller
State Filings Manager
United States Liability Insurance Group
190 South Warner Road
Wayne, PA 19087-2191

1.888.523.5545 X586
Fax: 610.688.4391
mmiller@usli.com

UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA

This Endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS LIABILITY, SPECIAL SERVICE DISTRICTS POLICY

FIDUCIARY LIABILITY COVERAGE ENDORSEMENT

This endorsement provides coverage for **Loss** (as defined herein) and **Defense Costs** (as defined herein) for a **Wrongful Fiduciary Act** (as defined herein). There is no coverage provided by this endorsement for the **Administration** of any **Plan**.

For purposes of coverage provided by this endorsement only, USL POJ (10-03) COMMON POLICY CONDITIONS and PO-100 (10-03) PUBLIC OFFICIALS LIABILITY is amended as follows:

I. The terms and conditions of the above referenced coverage forms that are applicable to **Wrongful Act** shall also apply to **Wrongful Fiduciary Act** except for Section VI. Unlimited Reporting Period For Former Elected/Appointed Officials.

II. Section III. DEFINITIONS, is amended as follows:

E. **Employee** does not include an independent contractor, volunteer or intern.

G. **Insured**, is deleted and replaced with the following:

Insured means the **Public Entity**, **an Employee Benefit Plan** and any **Fiduciary**.

H. **Loss** shall include damages and settlements which an **Insured** is legally obligated to pay as a result of a **Wrongful Fiduciary Act**, including a civil penalty of up to five percent (5%) imposed upon any **Fiduciary** under Section 502 (i) of **ERISA** and a civil penalty of up to twenty percent (20%) imposed upon an **Insured** under section 502 (l) of **ERISA**.

Loss does not mean:

- That portion of any settlement or judgment which constitutes benefits due or to become due or which would be due, under the terms of an **Employee Benefit Plan**, including but not limited to attorney fees incurred by a beneficiary to recover benefits except to the extent that benefits and attorney fees are payable as a personal obligation of a **Fiduciary** because of a **Wrongful Fiduciary Act**;
- Any **Loss** which is based upon, arises out of or is in consequence of the failure of an **Insured** to collect or ensure the collection of contributions owed by the **Public Entity** to an **Employee Benefit Plan** unless the failure is because of the negligence of any **Fiduciary**; or
- The return or reversion to the **Organization of any Employee's contribution to the Insured** if such contribution is or could be chargeable to any **Employee Benefit Plan**.

- Deleted: -
- Deleted: PUBLIC OFFICIALS LIABILITY
- Deleted: NOTICE:
- Deleted: Fiduciary Liability coverage as defined by "Wrongful Act" below and is not intended to replace Employee Benefits coverage available under your General Liability Insurance Policy. Defense Costs for a Fiduciary Liability Claim shall be part of the Limit of Liability.
- Deleted: It is hereby agreed that:
- Deleted: PO-100 (10/03),
- Formatted: Bullets and Numbering
- Formatted: Bullets and Numbering
- Deleted: Paragraph G.
- Deleted: ¶
- Deleted: the Plan and the Fiduciaries.
- Deleted: <#>PO-100 (10/03), Section III. DEFINITIONS, Paragraph H is amended by the addition of the following:¶
¶ "Loss" shall not include:¶
- Deleted: any amount
- Deleted: under the terms of the Plan, except and to the extent that recovery under such benefits is based upon a covered Wrongful Act by an Insured who is a natural person and such benefits
- Deleted: such Insured;
- Deleted: any amount which constitutes
- Deleted: the Plan which any of the Insureds failed to collect
- Deleted: such Insured's negligence;
- Deleted: any amount which constitutes the
- Deleted: Public Entity of any contribution or asset of the
- Deleted: "Loss" will include:The five (5) percent or less civil penalty imposed upon any Fiduciary under Section 502(i) of the Employee Retirement Income Security Act of 1974, as amended, and the twenty (20) percent or less penalty imposed upon an Insured under section 502(l) of the Employee Retirement Income Security Act of 1974, as amended with respect to covered settlements or judgments is included.¶
¶
<#>PO-100 (10/03), Section III. DEFINITIONS, Paragraph M. is amended to include the following:¶
¶ "Wrongful Act" means any actual or alleged breach of duty under ERISA by the Insured in connection with an (... [1]
- Formatted: Bullets and Numbering
- Deleted: (10/03)

III. Section III, DEFINITIONS is amended to add the following:

O. “Administration” means providing advice, counsel, notice or interpretation to individual **Employees**, participants or beneficiaries with respect to an **Employee Benefit Plan**; handling individual records in connection with an **Employee Benefit Plan**; or performing duties in connection with the enrollment, termination or cancellation of **Employees**, participants or beneficiaries under an **Employee Benefit Plan**. “Administration” does not mean performing duties required under **ERISA** for the notification and education of plan participants as a group, concerning any **Employee Benefits Plan**.

P. “ERISA” means the Employee Retirement Income Security Act of 1974.

Q. “Fiduciary” means any past, present or future director, officer, trustee or Employee of the **Public Entity** who exercises discretionary authority or discretionary control respecting management of an Employee Benefit Plan or management or disposition of its assets, renders or has authority or responsibility to render investment advice for a fee, or has discretionary authority or responsibility in the administration of such plan.

R. “Fiduciary Claim” means:

(1) Any written notice received by any **Insured** that any person or entity intends to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(2) Any written demand for monetary or non-monetary relief received by any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(3) Any judicial or administrative proceeding initiated against any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**.

A **Fiduciary Claim** shall be considered first made when an **Insured** or its legal representative or agent first receives notice of such claim.

S. “Employee Benefit Plan” means any employee welfare benefit plan(s) or employee pension benefit plan(s) identified in the Application for this Policy as each are defined by ERISA, which is sponsored by the Public Entity solely for the benefit of Employees of the Public Entity. Employee Benefit Plan does not mean workers’ compensation, unemployment insurance, social security, or disability benefits or any similar benefits provided under any federal, state, or local law or common law.

T. “Wrongful Fiduciary Act” means any actual or alleged breach of the responsibilities, obligations or duties imposed on a **Fiduciary** by **ERISA**. The same **Wrongful Fiduciary Act**, and interrelated series of **Wrongful Fiduciary Acts** or a series of similar or related **Wrongful Fiduciary Acts** by one or more **Insureds** shall be deemed to be one **Wrongful Fiduciary Act** and to have commenced at the time of the earliest **Wrongful Fiduciary Act**.

However, **Wrongful Fiduciary Act** does not mean any actual or alleged negligent act, error or omission in the **Administration** of any **Employee Benefit Plan** by a **Fiduciary** or the **Public Entity**.

IV. Section IV, EXCLUSIONS, H. is deleted in its entirety.

Deleted: ¶
P. **Fiduciaries** means any of the Directors, Officers, or Trustees, or

Deleted: employees

Deleted: are **Fiduciaries** as defined in **ERISA** with respect to any **Plan**.¶

Deleted: Q. **Plan**

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Deleted: welfare plan(s) subject to **ERISA**, which is sponsored, maintained, operated or administered by the **Public Entity**.¶

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R. **Administration** means interpreting or counseling, other than legal counseling, on benefits concerning any **Plan**, handling any **Plan**, or activities affecting employees under any **Plan**. **Administration** however does not include compliance with any duty under **ERISA** to notify or educate plan participants as a group concerning any **Plan**.¶

¶
<#>PO-100 (10/03), Section IV. EXCLUSIONS, Paragraph H. is deleted in its entirety.¶

¶
<#>PO-100 (10/03), Section IV. EXCLUSIONS is amended by the addition of the following:¶

¶
<#>The **Company** shall not be liable to pay any **Loss** in connection with any **Claim** made against the **Insureds** based upon, directly or indirectly arising out of or in any way involving the **Insured’s** failure or omission to procure or maintain insurance or bonds on **Plan** property or assets.¶

¶
<#>PO-100 (10/03), Section V. LIMITS OF LIABILITY AND RETENTION, Paragraph C. is amended as follows:¶

¶
C. **Defense Costs** shall be in addition to the **Limit of Liability** as shown in the Declarations, except for when Items G. or J. (below) applies.¶

¶
<#>PO-100 (10/03), Section V. LIMITS OF LIABILITY AND RETENTION is amended to include the following:¶

¶
<#>Any **Claim** involving any actual or alleged breach of duty under **ERISA** by the **Insureds** in connection with any **Plan**, the Limit of Liability will be the lesser of the Coverage Part A, Each Claim Limit, shown in the Declarations or \$1,000,000 in the aggregate. **Defense Costs** for any **Claim** involving any actual or alleged breach of duty under **ERISA** by the **Insureds** in connection with any **Plan** shall be part of the **Limit of Liability** and not in addition to the limit.¶

¶
¶
¶

... [2]

Deleted: (10/03)

V. Section IV, EXCLUSIONS is amended to add the following:

U. The **Company** shall not be liable to pay any **Loss** or **Defense Costs** in connection with any **Fiduciary Claim** made against the **Public Entity** or any **Fiduciary** based upon, directly or indirectly arising out of or in any way involving the **Public Entity's** or **Fiduciary's** failure to obtain or maintain adequate insurance or bonds covering **Employee Benefit Plan** property or assets.

VI. Section V, LIMITS OF LIABILITY AND RETENTION, is amended to add the following:

J. The maximum limit of liability of the **Company** for Fiduciary Liability under this endorsement shall be the lesser of the amount specified in the Policy Declarations as "IN THE AGGREGATE" or \$1,000,000. **Defense Costs** for any **Fiduciary Claim** are included in and not in addition to the maximum limit of liability as set forth herein.

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VII. The following is added to Section XII, CHANGES IN EXPOSURE:

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If after the inception date of this Policy:

- (1) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with an **Employee Benefit Plan** for which coverage is also provided under this Policy, this Policy shall continue in full force and effect as respects both plans; or
- (2) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with another **Employee Benefit Plan** for which coverage is not provided under this Policy, this Policy shall continue in full force and effect as respects the Covered Plan as to a **Wrongful Fiduciary Act** occurring prior to the date of such merger, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the merger; or
- (3) an **Employee Benefit Plan** is sold or terminated, this Policy shall continue in full force and effect as respects a **Wrongful Fiduciary Act** occurring prior to the date of the sale or termination, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the date of the sale or termination;

provided that the **Parent Organization** shall give the **Company** written notice of such merger, sale or termination as soon as practicable, but not later than 30 days after the effective date of the merger, sale or termination.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of your Policy and takes effect on the effective date of your Policy unless another effective date is shown.

“**Loss**” will include: The five (5) percent or less civil penalty imposed upon any **Fiduciary** under Section 502(i) of the Employee Retirement Income Security Act of 1974, as amended, and the twenty (20) percent or less penalty imposed upon an **Insured** under section 502(l) of the Employee Retirement Income Security Act of 1974, as amended with respect to covered settlements or judgments is included.

PO-100 (10/03), Section III. DEFINITIONS, Paragraph M. is amended to include the following:

“**Wrongful Act**” means any actual or alleged breach of duty under **ERISA** by the **Insured** in connection with any **Plan**. However, **Wrongful Act** does not include any actual or alleged act, error, omission, misstatement, misleading statement or neglect in the **Administration** of any **Plan** by the **Insureds**.

PO-100 (10/03), Section III. DEFINITIONS is amended to include the following:

O. **ERISA** means the Employee Retirement Income Security Act of 1974 including any revision or amendment thereto. **ERISA** does not include any law concerning workers’ compensation, unemployment insurance, social security, government-mandated disability benefits or similar law.

R. **Administration** means interpreting or counseling, other than legal counseling, on benefits concerning any **Plan**, handling any **Plan**, or activities affecting employees under any **Plan**. **Administration** however does not include compliance with any duty under **ERISA** to notify or educate plan participants as a group concerning any **Plan**.

PO-100 (10/03), Section IV. EXCLUSIONS, Paragraph H. is deleted in its entirety.

PO-100 (10/03), Section IV. EXCLUSIONS is amended by the addition of the following:

The **Company** shall not be liable to pay any **Loss** in connection with any **Claim** made against the **Insureds** based upon, directly or indirectly arising out of or in any way involving the **Insured’s** failure or omission to procure or maintain insurance or bonds on **Plan** property or assets.

PO-100 (10/03), Section V. LIMITS OF LIABILITY AND RETENTION, Paragraph C. is amended as follows:

C. **Defense Costs** shall be in addition to the **Limit of Liability** as shown in the Declarations, except for when Items G. or J. (below) applies.

PO-100 (10/03), Section V. LIMITS OF LIABILITY AND RETENTION is amended to include the following:

Any **Claim** involving any actual or alleged breach of duty under **ERISA** by the **Insureds** in connection with any **Plan**, the Limit of Liability will be the lesser of the Coverage Part A, Each Claim Limit, shown in the Declarations or \$1,000,000 in the aggregate. **Defense Costs** for any **Claim** involving any actual or alleged breach of duty under **ERISA** by the **Insureds** in connection with any **Plan** shall be part of the **Limit of Liability** and not in addition to the limit.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of your Policy and takes effect on the effective date of your Policy unless another effective date is shown.

June 20, 2008

Department of Insurance
Property and Casualty Division
Forms Review Section

**RE: United States Liability Insurance Company / NAIC #25895
Public Officials Liability – Special Service Districts Professional Liability
Form Revision Submission
Company Filing Number: PROF-PO-08-34
Effective Date: Upon Earliest Possible Approval**

To Whom It May Concern:

Enclosed you will find a form revision submission being filed for the Company's Public Officials Liability – Special Services Districts Professional Liability Product. A letter permitting Westmont Associates, Inc. to submit this filing on the Company's behalf is enclosed.

The Company is filing the following revised version of its endorsement form PO-214 for its currently filed and approved Public Official Liability product:

New Form Number	Form Title	Old Form Number
PO-214 (6/08)	Fiduciary Liability Coverage Endorsement	PO-214 (10-03)

The revisions made to the form are to clarify the Company's intent. Please note that there is no rate impact associated with the revisions made to the attached form.

Your approval and/or acknowledgement of this submission is respectfully requested, with the earliest permissible effective date. Thank you for your attention to this matter.

Respectfully Submitted,

Wesley Pohler

Wesley Pohler
Assistant Vice-President
wes@westmontlaw.com

Enclosures

Cc: N. Stepanski - Westmont
M. Miller – USLI

**UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA**

This Endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS LIABILITY SPECIAL SERVICE DISTRICTS POLICY

ARKANSAS FIDUCIARY LIABILITY COVERAGE ENDORSEMENT

This endorsement provides coverage for **Loss** (as defined herein) and **Defense Costs** (as defined herein) for a **Wrongful Fiduciary Act** (as defined herein). There is no coverage provided by this endorsement for the **Administration** of any **Plan**.

For purposes of coverage provided by this endorsement only, USL POJ (10-03) COMMON POLICY CONDITIONS and PO-100 (10-03) PUBLIC OFFICIALS LIABILITY is amended as follows:

Deleted: NON PROFIT DIRECTORS AND OFFICERS

- I. The terms and conditions of the above referenced coverage forms that are applicable to “**Wrongful Act**” shall also apply to “**Wrongful Fiduciary Act**” except for Section VI. Unlimited Reporting Period For Former Elected/Appointed Officials.
- II. Section III. DEFINITIONS, is amended as follows:
 - E. “**Employee**” does not include an independent contractor, volunteer or intern.
 - G. “**Insured**”, is deleted and replaced with the following:

“**Insured**” means the **Public Entity**, an **Employee Benefit Plan** and any **Fiduciary**.
 - H. “**Loss**” shall include damages and settlements which an **Insured** is legally obligated to pay as a result of a **Wrongful Fiduciary Act**, including a civil penalty of up to five percent (5%) imposed upon any **Fiduciary** under Section 502 (i) of **ERISA** and a civil penalty of up to twenty percent (20%) imposed upon an **Insured** under section 502 (l) of **ERISA**.

“**Loss**” does not mean:

 - a. That portion of any settlement or judgment which constitutes benefits due or to become due or which would be due, under the terms of an **Employee Benefit Plan**, including but not limited to attorney fees incurred by a beneficiary to recover benefits except to the extent that benefits and attorney fees are payable as a personal obligation of a **Fiduciary** because of a **Wrongful Fiduciary Act**;
 - b. Any **Loss** which is based upon, arises out of or is in consequence of the failure of an **Insured** to collect or ensure the collection of contributions owed by the **Public Entity** to an **Employee Benefit Plan** unless the failure is because of the negligence of any **Fiduciary**; or
 - c. The return or reversion to the **Organization** of any **Employee’s** contribution to the **Insured** if such contribution is or could be chargeable to any **Employee Benefit Plan**.

III. Section III. DEFINITIONS is amended to add the following:

O. “**Administration**” means providing advice, counsel, notice or interpretation to individual **Employees**, participants or beneficiaries with respect to an **Employee Benefit Plan**; handling individual records in connection with an **Employee Benefit Plan**; or performing duties in connection with the enrollment, termination or cancellation of **Employees**, participants or beneficiaries under an **Employee Benefit Plan**. “**Administration**” does not mean performing duties required under **ERISA** for the notification and education of plan participants as a group, concerning any **Employee Benefits Plan**.

P. “**ERISA**” means the Employee Retirement Income Security Act of 1974.

Q. “**Fiduciary**” means any past, present or future director, officer, trustee or **Employee** of the **Public Entity** who exercises discretionary authority or discretionary control respecting management of an **Employee Benefit Plan** or management or disposition of its assets, renders or has authority or responsibility to render investment advice for a fee, or has discretionary authority or responsibility in the administration of such plan.

R. “**Fiduciary Claim**” means:

(1) Any written notice received by any **Insured** that any person or entity intends to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(2) Any written demand for monetary or non-monetary relief received by any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(3) Any judicial or administrative proceeding initiated against any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**.

A **Fiduciary Claim** shall be considered first made when an **Insured** or its legal representative or agent first receives notice of such claim.

S. “**Employee Benefit Plan**” means any employee welfare benefit plan(s) or employee pension benefit plan(s) identified in the **Application** for this Policy as each are defined by **ERISA**, which is sponsored by the **Public Entity** solely for the benefit of **Employees** of the **Public Entity**. **Employee Benefit Plan** does not mean workers’ compensation, unemployment insurance, social security, or disability benefits or any similar benefits provided under any federal, state, or local law or common law.

T. “**Wrongful Fiduciary Act**” means any actual or alleged breach of the responsibilities, obligations or duties imposed on a **Fiduciary** by **ERISA**. The same **Wrongful Fiduciary Act**, and interrelated series of **Wrongful Fiduciary Acts** or a series of similar or related **Wrongful Fiduciary Acts** by one or more **Insureds** shall be deemed to be one **Wrongful Fiduciary Act** and to have commenced at the time of the earliest **Wrongful Fiduciary Act**.

However, **Wrongful Fiduciary Act** does not mean any actual or alleged negligent act, error or omission in the **Administration** of any **Employee Benefit Plan** by a **Fiduciary** or the **Public Entity**.

IV. Section IV, EXCLUSIONS, H. is deleted in its entirety.

V. Section IV, EXCLUSIONS is amended to add the following:

U. The **Company** shall not be liable to pay any **Loss** or **Defense Costs** in connection with any **Fiduciary Claim** made against the **Public Entity** or any **Fiduciary** based upon, directly or indirectly arising out of or in any way involving the **Public Entity's** or **Fiduciary's** failure to obtain or maintain adequate insurance or bonds covering **Employee Benefit Plan** property or assets.

VI. Section V, LIMITS OF LIABILITY AND RETENTION, is amended to add the following:

J. The maximum limit of liability of the **Company** for Fiduciary Liability under this endorsement shall be the amount specified in the Policy Declarations as "IN THE AGGREGATE". However, if the "IN THE AGGREGATE" limit is less than \$1,000,000, the limit of liability for Fiduciary Liability shall be \$1,000,000. **Defense Costs** for any **Fiduciary Claim** are included in and not in addition to the maximum limit of liability as set forth herein.

VII. The following is added to Section XII. CHANGES IN EXPOSURE:

If after the inception date of this Policy:

- (1) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with an **Employee Benefit Plan** for which coverage is also provided under this Policy, this Policy shall continue in full force and effect as respects both plans; or
- (2) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with another **Employee Benefit Plan** for which coverage is not provided under this Policy, this Policy shall continue in full force and effect as respects the Covered Plan as to a **Wrongful Fiduciary Act** occurring prior to the date of such merger, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the merger; or
- (3) an **Employee Benefit Plan** is sold or terminated, this Policy shall continue in full force and effect as respects a **Wrongful Fiduciary Act** occurring prior to the date of the sale or termination, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the date of the sale or termination;

provided that the **Parent Organization** shall give the **Company** written notice of such merger, sale or termination as soon as practicable, but not later than 30 days after the effective date of the merger, sale or termination.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of your Policy and takes effect on the effective date of your Policy unless another effective date is shown.

SERFF Tracking Number: WESA-125692468 *State:* Arkansas
Filing Company: United States Liability Insurance Company *State Tracking Number:* #29545 \$50
Company Tracking Number: PROF-PO-08-34
TOI: 17.1 Other Liability - Claims Made Only *Sub-TOI:* 17.1019 Professional Errors & Omissions Liability

Product Name: Public Officials Liability - Special Service Districts Professional Liability Product
Project Name/Number: Submission of revised endorsement - PO-214/PROF-PO-08-34

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	Arkansas Fiduciary Liability Coverage Endorsement	07/22/2008	PO 214 (06-08).pdf
No original date	Form	Fiduciary Liability Coverage Endorsement	06/20/2008	PO 214 (06-08).pdf
No original date	Form	Arkansas Fiduciary Liability Coverage Endorsement	07/01/2008	PO 214 (06-08) ar.pdf
No original date	Supporting Document	Side by Side Comparison	06/20/2008	PO 214 Comparison.pdf

**UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA**

This Endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS LIABILITY SPECIAL SERVICE DISTRICTS POLICY

FIDUCIARY LIABILITY COVERAGE ENDORSEMENT

This endorsement provides coverage for **Loss** (as defined herein) and **Defense Costs** (as defined herein) for a **Wrongful Fiduciary Act** (as defined herein). There is no coverage provided by this endorsement for the **Administration** of any **Plan**.

For purposes of coverage provided by this endorsement only, USL POJ (10-03) COMMON POLICY CONDITIONS and PO-100 (10-03) PUBLIC OFFICIALS LIABILITY is amended as follows:

- I. The terms and conditions of the above referenced coverage forms that are applicable to “**Wrongful Act**” shall also apply to “**Wrongful Fiduciary Act**” except for Section VI. Unlimited Reporting Period For Former Elected/Appointed Officials.
- II. Section III. DEFINITIONS, is amended as follows:
 - E. “**Employee**” does not include an independent contractor, volunteer or intern.
 - G. “**Insured**”, is deleted and replaced with the following:

“**Insured**” means the **Public Entity**, an **Employee Benefit Plan** and any **Fiduciary**.
 - H. “**Loss**” shall include damages and settlements which an **Insured** is legally obligated to pay as a result of a **Wrongful Fiduciary Act**, including a civil penalty of up to five percent (5%) imposed upon any **Fiduciary** under Section 502 (i) of **ERISA** and a civil penalty of up to twenty percent (20%) imposed upon an **Insured** under section 502 (l) of **ERISA**.

“**Loss**” does not mean:

 - a. That portion of any settlement or judgment which constitutes benefits due or to become due or which would be due, under the terms of an **Employee Benefit Plan**, including but not limited to attorney fees incurred by a beneficiary to recover benefits except to the extent that benefits and attorney fees are payable as a personal obligation of a **Fiduciary** because of a **Wrongful Fiduciary Act**;
 - b. Any **Loss** which is based upon, arises out of or is in consequence of the failure of an **Insured** to collect or ensure the collection of contributions owed by the **Public Entity** to an **Employee Benefit Plan** unless the failure is because of the negligence of any **Fiduciary**; or
 - c. The return or reversion to the **Organization** of any **Employee’s** contribution to the **Insured** if such contribution is or could be chargeable to any **Employee Benefit Plan**.

III. Section III. DEFINITIONS is amended to add the following:

O. “**Administration**” means providing advice, counsel, notice or interpretation to individual **Employees**, participants or beneficiaries with respect to an **Employee Benefit Plan**; handling individual records in connection with an **Employee Benefit Plan**; or performing duties in connection with the enrollment, termination or cancellation of **Employees**, participants or beneficiaries under an **Employee Benefit Plan**. “**Administration**” does not mean performing duties required under **ERISA** for the notification and education of plan participants as a group, concerning any **Employee Benefits Plan**.

P. “**ERISA**” means the Employee Retirement Income Security Act of 1974.

Q. “**Fiduciary**” means any past, present or future director, officer, trustee or **Employee** of the **Public Entity** who exercises discretionary authority or discretionary control respecting management of an **Employee Benefit Plan** or management or disposition of its assets, renders or has authority or responsibility to render investment advice for a fee, or has discretionary authority or responsibility in the administration of such plan.

R. “**Fiduciary Claim**” means:

(1) Any written notice received by any **Insured** that any person or entity intends to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(2) Any written demand for monetary or non-monetary relief received by any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(3) Any judicial or administrative proceeding initiated against any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**.

A **Fiduciary Claim** shall be considered first made when an **Insured** or its legal representative or agent first receives notice of such claim.

S. “**Employee Benefit Plan**” means any employee welfare benefit plan(s) or employee pension benefit plan(s) identified in the **Application** for this Policy as each are defined by **ERISA**, which is sponsored by the **Public Entity** solely for the benefit of **Employees** of the **Public Entity**. **Employee Benefit Plan** does not mean workers’ compensation, unemployment insurance, social security, or disability benefits or any similar benefits provided under any federal, state, or local law or common law.

T. “**Wrongful Fiduciary Act**” means any actual or alleged breach of the responsibilities, obligations or duties imposed on a **Fiduciary** by **ERISA**. The same **Wrongful Fiduciary Act**, and interrelated series of **Wrongful Fiduciary Acts** or a series of similar or related **Wrongful Fiduciary Acts** by one or more **Insureds** shall be deemed to be one **Wrongful Fiduciary Act** and to have commenced at the time of the earliest **Wrongful Fiduciary Act**.

However, **Wrongful Fiduciary Act** does not mean any actual or alleged negligent act, error or omission in the **Administration** of any **Employee Benefit Plan** by a **Fiduciary** or the **Public Entity**.

IV. Section IV, EXCLUSIONS, H. is deleted in its entirety.

V. Section IV, EXCLUSIONS is amended to add the following:

U. The **Company** shall not be liable to pay any **Loss** or **Defense Costs** in connection with any **Fiduciary Claim** made against the **Public Entity** or any **Fiduciary** based upon, directly or indirectly arising out of or in any way involving the **Public Entity's** or **Fiduciary's** failure to obtain or maintain adequate insurance or bonds covering **Employee Benefit Plan** property or assets.

VI. Section V, LIMITS OF LIABILITY AND RETENTION, is amended to add the following:

J. The maximum limit of liability of the **Company** for Fiduciary Liability under this endorsement shall be the lesser of the amount specified in the Policy Declarations as "IN THE AGGREGATE" or \$1,000,000. **Defense Costs** for any **Fiduciary Claim** are included in and not in addition to the maximum limit of liability as set forth herein.

VII. The following is added to Section XII. CHANGES IN EXPOSURE:

If after the inception date of this Policy:

- (1) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with an **Employee Benefit Plan** for which coverage is also provided under this Policy, this Policy shall continue in full force and effect as respects both plans; or
- (2) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with another **Employee Benefit Plan** for which coverage is not provided under this Policy, this Policy shall continue in full force and effect as respects the Covered Plan as to a **Wrongful Fiduciary Act** occurring prior to the date of such merger, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the merger; or
- (3) an **Employee Benefit Plan** is sold or terminated, this Policy shall continue in full force and effect as respects a **Wrongful Fiduciary Act** occurring prior to the date of the sale or termination, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the date of the sale or termination;

provided that the **Parent Organization** shall give the **Company** written notice of such merger, sale or termination as soon as practicable, but not later than 30 days after the effective date of the merger, sale or termination.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of your Policy and takes effect on the effective date of your Policy unless another effective date is shown.

**UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA**

This Endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS LIABILITY SPECIAL SERVICE DISTRICTS POLICY

FIDUCIARY LIABILITY COVERAGE ENDORSEMENT

This endorsement provides coverage for **Loss** (as defined herein) and **Defense Costs** (as defined herein) for a **Wrongful Fiduciary Act** (as defined herein). There is no coverage provided by this endorsement for the **Administration** of any **Plan**.

For purposes of coverage provided by this endorsement only, USL POJ (10-03) COMMON POLICY CONDITIONS and PO-100 (10-03) NON PROFIT DIRECTORS AND OFFICERS LIABILITY is amended as follows:

- I. The terms and conditions of the above referenced coverage forms that are applicable to “**Wrongful Act**” shall also apply to “**Wrongful Fiduciary Act**” except for Section VI. Unlimited Reporting Period For Former Elected/Appointed Officials.
- II. Section III. DEFINITIONS, is amended as follows:
 - E. “**Employee**” does not include an independent contractor, volunteer or intern.
 - G. “**Insured**”, is deleted and replaced with the following:

“**Insured**” means the **Public Entity**, an **Employee Benefit Plan** and any **Fiduciary**.
 - H. “**Loss**” shall include damages and settlements which an **Insured** is legally obligated to pay as a result of a **Wrongful Fiduciary Act**, including a civil penalty of up to five percent (5%) imposed upon any **Fiduciary** under Section 502 (i) of **ERISA** and a civil penalty of up to twenty percent (20%) imposed upon an **Insured** under section 502 (l) of **ERISA**.

“**Loss**” does not mean:

 - a. That portion of any settlement or judgment which constitutes benefits due or to become due or which would be due, under the terms of an **Employee Benefit Plan**, including but not limited to attorney fees incurred by a beneficiary to recover benefits except to the extent that benefits and attorney fees are payable as a personal obligation of a **Fiduciary** because of a **Wrongful Fiduciary Act**;
 - b. Any **Loss** which is based upon, arises out of or is in consequence of the failure of an **Insured** to collect or ensure the collection of contributions owed by the **Public Entity** to an **Employee Benefit Plan** unless the failure is because of the negligence of any **Fiduciary**: or
 - c. The return or reversion to the **Organization** of any **Employee’s** contribution to the **Insured** if such contribution is or could be chargeable to any **Employee Benefit Plan**.

III. Section III. DEFINITIONS is amended to add the following:

O. “**Administration**” means providing advice, counsel, notice or interpretation to individual **Employees**, participants or beneficiaries with respect to an **Employee Benefit Plan**; handling individual records in connection with an **Employee Benefit Plan**; or performing duties in connection with the enrollment, termination or cancellation of **Employees**, participants or beneficiaries under an **Employee Benefit Plan**. “**Administration**” does not mean performing duties required under **ERISA** for the notification and education of plan participants as a group, concerning any **Employee Benefits Plan**.

P. “**ERISA**” means the Employee Retirement Income Security Act of 1974.

Q. “**Fiduciary**” means any past, present or future director, officer, trustee or **Employee** of the **Public Entity** who exercises discretionary authority or discretionary control respecting management of an **Employee Benefit Plan** or management or disposition of its assets, renders or has authority or responsibility to render investment advice for a fee, or has discretionary authority or responsibility in the administration of such plan.

R. “**Fiduciary Claim**” means:

(1) Any written notice received by any **Insured** that any person or entity intends to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(2) Any written demand for monetary or non-monetary relief received by any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(3) Any judicial or administrative proceeding initiated against any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**.

A **Fiduciary Claim** shall be considered first made when an **Insured** or its legal representative or agent first receives notice of such claim.

S. “**Employee Benefit Plan**” means any employee welfare benefit plan(s) or employee pension benefit plan(s) identified in the **Application** for this Policy as each are defined by **ERISA**, which is sponsored by the **Public Entity** solely for the benefit of **Employees** of the **Public Entity**. **Employee Benefit Plan** does not mean workers’ compensation, unemployment insurance, social security, or disability benefits or any similar benefits provided under any federal, state, or local law or common law.

T. “**Wrongful Fiduciary Act**” means any actual or alleged breach of the responsibilities, obligations or duties imposed on a **Fiduciary** by **ERISA**. The same **Wrongful Fiduciary Act**, and interrelated series of **Wrongful Fiduciary Acts** or a series of similar or related **Wrongful Fiduciary Acts** by one or more **Insureds** shall be deemed to be one **Wrongful Fiduciary Act** and to have commenced at the time of the earliest **Wrongful Fiduciary Act**.

However, **Wrongful Fiduciary Act** does not mean any actual or alleged negligent act, error or omission in the **Administration** of any **Employee Benefit Plan** by a **Fiduciary** or the **Public Entity**.

IV. Section IV, EXCLUSIONS, H. is deleted in its entirety.

V. Section IV, EXCLUSIONS is amended to add the following:

U. The **Company** shall not be liable to pay any **Loss** or **Defense Costs** in connection with any **Fiduciary Claim** made against the **Public Entity** or any **Fiduciary** based upon, directly or indirectly arising out of or in any way involving the **Public Entity's** or **Fiduciary's** failure to obtain or maintain adequate insurance or bonds covering **Employee Benefit Plan** property or assets.

VI. Section V, LIMITS OF LIABILITY AND RETENTION, is amended to add the following:

J. The maximum limit of liability of the **Company** for Fiduciary Liability under this endorsement shall be the lesser of the amount specified in the Policy Declarations as "IN THE AGGREGATE" or \$1,000,000. **Defense Costs** for any **Fiduciary Claim** are included in and not in addition to the maximum limit of liability as set forth herein.

VII. The following is added to Section XII. CHANGES IN EXPOSURE:

If after the inception date of this Policy:

- (1) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with an **Employee Benefit Plan** for which coverage is also provided under this Policy, this Policy shall continue in full force and effect as respects both plans; or
- (2) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with another **Employee Benefit Plan** for which coverage is not provided under this Policy, this Policy shall continue in full force and effect as respects the Covered Plan as to a **Wrongful Fiduciary Act** occurring prior to the date of such merger, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the merger; or
- (3) an **Employee Benefit Plan** is sold or terminated, this Policy shall continue in full force and effect as respects a **Wrongful Fiduciary Act** occurring prior to the date of the sale or termination, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the date of the sale or termination;

provided that the **Parent Organization** shall give the **Company** written notice of such merger, sale or termination as soon as practicable, but not later than 30 days after the effective date of the merger, sale or termination.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of your Policy and takes effect on the effective date of your Policy unless another effective date is shown.

**UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA**

This Endorsement modifies insurance provided under the following:

PUBLIC OFFICIALS LIABILITY SPECIAL SERVICE DISTRICTS POLICY

ARKANSAS FIDUCIARY LIABILITY COVERAGE ENDORSEMENT

This endorsement provides coverage for **Loss** (as defined herein) and **Defense Costs** (as defined herein) for a **Wrongful Fiduciary Act** (as defined herein). There is no coverage provided by this endorsement for the **Administration** of any **Plan**.

For purposes of coverage provided by this endorsement only, USL POJ (10-03) COMMON POLICY CONDITIONS and PO-100 (10-03) NON PROFIT DIRECTORS AND OFFICERS LIABILITY is amended as follows:

- I. The terms and conditions of the above referenced coverage forms that are applicable to “**Wrongful Act**” shall also apply to “**Wrongful Fiduciary Act**” except for Section VI. Unlimited Reporting Period For Former Elected/Appointed Officials.
- II. Section III. DEFINITIONS, is amended as follows:
 - E. “**Employee**” does not include an independent contractor, volunteer or intern.
 - G. “**Insured**”, is deleted and replaced with the following:

“**Insured**” means the **Public Entity**, an **Employee Benefit Plan** and any **Fiduciary**.
 - H. “**Loss**” shall include damages and settlements which an **Insured** is legally obligated to pay as a result of a **Wrongful Fiduciary Act**, including a civil penalty of up to five percent (5%) imposed upon any **Fiduciary** under Section 502 (i) of **ERISA** and a civil penalty of up to twenty percent (20%) imposed upon an **Insured** under section 502 (l) of **ERISA**.

“**Loss**” does not mean:

 - a. That portion of any settlement or judgment which constitutes benefits due or to become due or which would be due, under the terms of an **Employee Benefit Plan**, including but not limited to attorney fees incurred by a beneficiary to recover benefits except to the extent that benefits and attorney fees are payable as a personal obligation of a **Fiduciary** because of a **Wrongful Fiduciary Act**;
 - b. Any **Loss** which is based upon, arises out of or is in consequence of the failure of an **Insured** to collect or ensure the collection of contributions owed by the **Public Entity** to an **Employee Benefit Plan** unless the failure is because of the negligence of any **Fiduciary**: or
 - c. The return or reversion to the **Organization** of any **Employee**’s contribution to the **Insured** if such contribution is or could be chargeable to any **Employee Benefit Plan**.

III. Section III. DEFINITIONS is amended to add the following:

O. “**Administration**” means providing advice, counsel, notice or interpretation to individual **Employees**, participants or beneficiaries with respect to an **Employee Benefit Plan**; handling individual records in connection with an **Employee Benefit Plan**; or performing duties in connection with the enrollment, termination or cancellation of **Employees**, participants or beneficiaries under an **Employee Benefit Plan**. “**Administration**” does not mean performing duties required under **ERISA** for the notification and education of plan participants as a group, concerning any **Employee Benefits Plan**.

P. “**ERISA**” means the Employee Retirement Income Security Act of 1974.

Q. “**Fiduciary**” means any past, present or future director, officer, trustee or **Employee** of the **Public Entity** who exercises discretionary authority or discretionary control respecting management of an **Employee Benefit Plan** or management or disposition of its assets, renders or has authority or responsibility to render investment advice for a fee, or has discretionary authority or responsibility in the administration of such plan.

R. “**Fiduciary Claim**” means:

(1) Any written notice received by any **Insured** that any person or entity intends to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(2) Any written demand for monetary or non-monetary relief received by any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(3) Any judicial or administrative proceeding initiated against any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**.

A **Fiduciary Claim** shall be considered first made when an **Insured** or its legal representative or agent first receives notice of such claim.

S. “**Employee Benefit Plan**” means any employee welfare benefit plan(s) or employee pension benefit plan(s) identified in the **Application** for this Policy as each are defined by **ERISA**, which is sponsored by the **Public Entity** solely for the benefit of **Employees** of the **Public Entity**. **Employee Benefit Plan** does not mean workers’ compensation, unemployment insurance, social security, or disability benefits or any similar benefits provided under any federal, state, or local law or common law.

T. “**Wrongful Fiduciary Act**” means any actual or alleged breach of the responsibilities, obligations or duties imposed on a **Fiduciary** by **ERISA**. The same **Wrongful Fiduciary Act**, and interrelated series of **Wrongful Fiduciary Acts** or a series of similar or related **Wrongful Fiduciary Acts** by one or more **Insureds** shall be deemed to be one **Wrongful Fiduciary Act** and to have commenced at the time of the earliest **Wrongful Fiduciary Act**.

However, **Wrongful Fiduciary Act** does not mean any actual or alleged negligent act, error or omission in the **Administration** of any **Employee Benefit Plan** by a **Fiduciary** or the **Public Entity**.

IV. Section IV, EXCLUSIONS, H. is deleted in its entirety.

V. Section IV, EXCLUSIONS is amended to add the following:

U. The **Company** shall not be liable to pay any **Loss** or **Defense Costs** in connection with any **Fiduciary Claim** made against the **Public Entity** or any **Fiduciary** based upon, directly or indirectly arising out of or in any way involving the **Public Entity's** or **Fiduciary's** failure to obtain or maintain adequate insurance or bonds covering **Employee Benefit Plan** property or assets.

VI. Section V, LIMITS OF LIABILITY AND RETENTION, is amended to add the following:

J. The maximum limit of liability of the **Company** for Fiduciary Liability under this endorsement shall be the amount specified in the Policy Declarations as "IN THE AGGREGATE". However, if the "IN THE AGGREGATE" limit is less than \$1,000,000, the limit of liability for Fiduciary Liability shall be \$1,000,000. **Defense Costs** for any **Fiduciary Claim** are included in and not in addition to the maximum limit of liability as set forth herein.

VII. The following is added to Section XII. CHANGES IN EXPOSURE:

If after the inception date of this Policy:

- (1) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with an **Employee Benefit Plan** for which coverage is also provided under this Policy, this Policy shall continue in full force and effect as respects both plans; or
- (2) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with another **Employee Benefit Plan** for which coverage is not provided under this Policy, this Policy shall continue in full force and effect as respects the Covered Plan as to a **Wrongful Fiduciary Act** occurring prior to the date of such merger, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the merger; or
- (3) an **Employee Benefit Plan** is sold or terminated, this Policy shall continue in full force and effect as respects a **Wrongful Fiduciary Act** occurring prior to the date of the sale or termination, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the date of the sale or termination;

provided that the **Parent Organization** shall give the **Company** written notice of such merger, sale or termination as soon as practicable, but not later than 30 days after the effective date of the merger, sale or termination.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of your Policy and takes effect on the effective date of your Policy unless another effective date is shown.

**UNITED STATES LIABILITY INSURANCE GROUP
WAYNE, PENNSYLVANIA**

This Endorsement modifies insurance provided under the following:

**PUBLIC OFFICIALS LIABILITY – SPECIAL SERVICE DISTRICTS POLICY
~~PUBLIC OFFICIALS LIABILITY~~**

FIDUCIARY LIABILITY COVERAGE ENDORSEMENT

NOTICE: This endorsement provides ~~Fiduciary Liability coverage as defined by “Wrongful Act” below and is not intended to replace Employee Benefits coverage available under your General Liability Insurance Policy.~~ **Defense Costs** for a ~~Fiduciary Liability Claim~~ shall be part of the **Limit of Liability** coverage for **Loss** (as defined herein) and **Defense Costs** (as defined herein) for a **Wrongful Fiduciary Act** (as defined herein). There is no coverage provided by this endorsement for the **Administration of any Plan.**

~~It is hereby agreed that:~~ For purposes of coverage provided by this endorsement only, USL POJ (10-03) **COMMON POLICY CONDITIONS** and PO-100 (10-03) **NON PROFIT DIRECTORS AND OFFICERS LIABILITY** is amended as follows:

I. ~~The terms and conditions of the above referenced coverage forms that are applicable to~~ **“Wrongful Act” shall also apply to “Wrongful Fiduciary Act” except for Section VI. Unlimited Reporting Period For Former Elected/Appointed Officials.**

II. ~~PO-100 (10/03),~~ Section III. DEFINITIONS, is amended as follows:

E. **“Employee”** does not include an independent contractor, volunteer or intern.

Paragraph G.G. **“Insured”**, is deleted and replaced with the following:

“Insured” means the **Public Entity**, ~~the Plan and the Fiduciaries~~ an Employee Benefit Plan and any **Fiduciary**.

1. PO-100 (10/03), Section III. DEFINITIONS, Paragraph H is amended by the addition of the following:

“Loss” shall not include:

H. **“Loss”** shall include damages and settlements which an **Insured** is legally obligated to pay as a result of a **Wrongful Fiduciary Act**, including a civil penalty of up to five percent (5%) imposed upon any **Fiduciary** under Section 502 (i) of **ERISA** and a civil penalty of up to twenty percent (20%) imposed upon an **Insured** under section 502 (l) of **ERISA**.

“Loss” does not mean:

a. ~~any amount~~ That portion of any settlement or judgment which constitutes benefits due or to become due ~~under the terms of the Plan, except and to the extent that recovery under such benefits is based upon a covered Wrongful Act by an Insured who is a natural person and~~

~~such benefits or which would be due, under the terms of an **Employee Benefit Plan**, including but not limited to attorney fees incurred by a beneficiary to recover benefits except to the extent that benefits and attorney fees are payable as a personal obligation of such **Insured**; a **Fiduciary** because of a **Wrongful Fiduciary Act**;~~

- b. ~~any amount which constitutes~~ Any **Loss** which is based upon, arises out of or is in consequence of the failure of an **Insured** to collect or ensure the collection of contributions owed by the **Public Entity** to the **Plan** which any of the **Insureds** failed to collect ~~an **Employee Benefit Plan** unless the failure is because of such **Insured**'s negligence; the negligence of any **Fiduciary**;~~ or
- c. ~~any amount which constitutes the~~ The return or reversion to the **Public Entity** of any contribution or asset of the **Organization** of any **Employee**'s contribution to the **Insured** if such contribution is or could be chargeable to any **Employee Benefit Plan**.

~~—“**Loss**” will include: The five (5) percent or less civil penalty imposed upon any **Fiduciary** under Section 502(i) of the Employee Retirement Income Security Act of 1974, as amended, and the twenty (20) percent or less penalty imposed upon an **Insured** under section 502(l) of the Employee Retirement Income Security Act of 1974, as amended with respect to covered settlements or judgments is included.~~

~~2. PO 100 (10/03), Section III. DEFINITIONS, Paragraph M. is amended to include the following:~~

~~“**Wrongful Act**” means any actual or alleged breach of duty under **ERISA** by the **Insured** in connection with any **Plan**. However, **Wrongful Act** does not include any actual or alleged act, error, omission, misstatement, misleading statement or neglect in the **Administration** of any **Plan** by the **Insureds**.~~

~~3. PO 100 (10/03), Section III. DEFINITIONS is amended to include the following:~~

~~O. **ERISA** means the Employee Retirement Income Security Act of 1974 including any revision or amendment thereto. **ERISA** does not include any law concerning workers' compensation, unemployment insurance, social security, government-mandated disability benefits or similar law.~~

~~4.~~

~~III. Section III. DEFINITIONS is amended to add the following:~~

O. “**Administration**” means providing advice, counsel, notice or interpretation to individual **Employees**, participants or beneficiaries with respect to an **Employee Benefit Plan**; handling individual records in connection with an **Employee Benefit Plan**; or performing duties in connection with the enrollment, termination or cancellation of **Employees**, participants or beneficiaries under an **Employee Benefit Plan**. “**Administration**” does not mean performing duties required under **ERISA** for the notification and education of plan participants as a group, concerning any **Employee Benefits Plan**.

~~P. “**ERISA**” means the Employee Retirement Income Security Act of 1974.~~

~~P. **Fiduciaries** means any of the Directors, Officers, or Trustees, or~~ Q. “**Fiduciary**” means any past, present or future ~~employees~~ director, officer, trustee or **Employee** of the **Public Entity** who are **Fiduciaries** as defined in **ERISA** with respect to any **Plan**.

exercises discretionary authority or discretionary control respecting management of an Employee Benefit Plan or management or disposition of its assets, renders or has authority or responsibility to render investment advice for a fee, or has discretionary authority or responsibility in the administration of such plan.

R. “Fiduciary Claim” means:

(1) Any written notice received by any **Insured** that any person or entity intends to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(2) Any written demand for monetary or non-monetary relief received by any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**; or

(3) Any judicial or administrative proceeding initiated against any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Fiduciary Act**.

A **Fiduciary Claim** shall be considered first made when an **Insured** or its legal representative or agent first receives notice of such claim.

~~Q. **Plan S. “Employee Benefit Plan”** means any employee welfare benefit plan(s) or employee welfare plan(s) subject to **ERISA**, which is sponsored, maintained, operated or administered by the **Public Entity**.~~

~~pension benefit plan(s) identified in the **Application** for this Policy as each are defined by **ERISA**, which is sponsored by the **Public Entity** solely for the benefit of **Employees** of the **Public Entity**. **Employee Benefit Plan** does not~~

~~**R. Administration** means interpreting or counseling, other than legal counseling, on benefits concerning any **Plan**, handling any **Plan**, or activities affecting employees under any **Plan**. **Administration** however does not include compliance with any duty under **ERISA** to notify or educate plan participants as a group concerning any **Plan**.~~

~~4. PO-100 (10/03), Section IV. EXCLUSIONS, Paragraph H. is deleted in its entirety.~~

~~5. PO-100 (10/03), Section IV. EXCLUSIONS is amended by the addition of the following:~~

~~U.~~

~~U. The **Company** shall not be liable to pay any **Loss** in connection with any **Claim** made against the **Insureds** based upon, directly or indirectly arising out of or in any way involving the **Insured’s** failure or omission to procure or maintain insurance or bonds on **Plan** property or assets.~~

~~V. PO-100 (10/03), Section V. LIMITS OF LIABILITY AND RETENTION, Paragraph C. is amended as follows:~~

~~C. **Defense Costs** shall be in addition to the **Limit of Liability** as shown in the Declarations, except for when Items G. or J. (below) applies.~~

~~W. PO-100 (10/03), Section V. LIMITS OF LIABILITY AND RETENTION is amended to include the following:~~

~~J. Any **Claim** involving any actual or alleged breach of duty under **ERISA** by the **Insureds** in connection with any **Plan**, the Limit of Liability will be the lesser of the Coverage Part A, Each~~

~~Claim Limit, shown in the Declarations or \$1,000,000 in the aggregate. **Defense Costs** for any **Claim** involving any actual or alleged breach of duty under ERISA by the **Insureds** in connection with any **Plan** shall be part of the **Limit of Liability** and not in addition to the limit.~~

~~All other terms and conditions of this Policy remain unchanged. This endorsement is a part of your Policy and takes effect on the effective date of your Policy unless another effective date is shown.~~

mean workers' compensation, unemployment insurance, social security, or disability benefits or any similar benefits provided under any federal, state, or local law or common law.

T. "Wrongful Fiduciary Act" means any actual or alleged breach of the responsibilities, obligations or duties imposed on a **Fiduciary** by ERISA. The same **Wrongful Fiduciary Act**, and interrelated series of **Wrongful Fiduciary Acts** or a series of similar or related **Wrongful Fiduciary Acts** by one or more **Insureds** shall be deemed to be one **Wrongful Fiduciary Act** and to have commenced at the time of the earliest **Wrongful Fiduciary Act**.

However, **Wrongful Fiduciary Act** does not mean any actual or alleged negligent act, error or omission in the **Administration** of any **Employee Benefit Plan** by a **Fiduciary** or the **Public Entity**.

IV. Section IV, EXCLUSIONS, H. is deleted in its entirety.

V. Section IV, EXCLUSIONS is amended to add the following:

U. The **Company** shall not be liable to pay any **Loss** or **Defense Costs** in connection with any **Fiduciary Claim** made against the **Public Entity** or any **Fiduciary** based upon, directly or indirectly arising out of or in any way involving the **Public Entity's** or **Fiduciary's** failure to obtain or maintain adequate insurance or bonds covering **Employee Benefit Plan** property or assets.

VI. Section V, LIMITS OF LIABILITY AND RETENTION, is amended to add the following:

J. The maximum limit of liability of the **Company** for **Fiduciary Liability** under this endorsement shall be the lesser of the amount specified in the Policy Declarations as "IN THE AGGREGATE" or \$1,000,000. **Defense Costs** for any **Fiduciary Claim** are included in and not in addition to the maximum limit of liability as set forth herein.

VII. The following is added to Section XII. CHANGES IN EXPOSURE:

If after the inception date of this Policy:

- (1) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with an **Employee Benefit Plan** for which coverage is also provided under this Policy, this Policy shall continue in full force and effect as respects both plans; or
- (2) an **Employee Benefit Plan** for which coverage is provided under this Policy is merged with another **Employee Benefit Plan** for which coverage is not provided under this Policy, this Policy shall continue in full force and effect as respects the Covered Plan as to a **Wrongful Fiduciary Act** occurring prior to the date of such merger, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the merger; or

(3) an **Employee Benefit Plan** is sold or terminated, this Policy shall continue in full force and effect as respects a **Wrongful Fiduciary Act** occurring prior to the date of the sale or termination, but coverage will cease as respects any actual or alleged **Wrongful Fiduciary Act** occurring after the date of the sale or termination;

provided that the **Parent Organization** shall give the **Company** written notice of such merger, sale or termination as soon as practicable, but not later than 30 days after the effective date of the merger, sale or termination.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of your Policy and takes effect on the effective date of your Policy unless another effective date is shown.