



Advancing Professional
Construction and Program
Management Worldwide

DIRECTORS & OFFICERS, EMPLOYMENT PRACTICES & FIDUCIARY LIABILITY INSURANCE COVERAGE FOR CHAPTERS OF THE CONSTRUCTION MANAGEMENT ASSOCIATION OF AMERICA

PURPOSE

has worked with the Construction Management Association of America's (CMAA) national staff to develop a coordinated program to provide CMAA Chapters with cost-effective Directors & Officers, Employment Practices and Fiduciary Liability coverage (often referred to as "Management Liability Insurance").

EXPLANATION OF COVERAGES *(This summary is for informational purposes only)*

The Management Liability coverages are available from with a policy effective date of March 1, 2023. Coverage is for an annual period and the policy is written on a claims-made basis. This means that coverage applies only for claims filed during the policy period. A sample of the actual policy terms and conditions can be provided upon request, and you should note that this summary does not alter the coverage offered in the policy.

- **Directors & Officers (D&O):** Provides protection for actual or alleged wrongful decisions, or wrongful acts for any act or omission, error, misstatement, misleading statement, neglect or breach of duty by a Director or Officer in the course of his or her duties.
- **Employment Practices Liability (EPL):** Provides protection for an employer against claims made by employees, former employees, or potential employees. EPL covers discrimination (age, sex, race, disability, etc.), wrongful termination of employment, sexual harassment, and other employment-related allegations. Third Party Liability coverage is included and covers claims made by non-employees, e.g., vendors, who allege that an employee or volunteer engaged in wrongful conduct.
- **Fiduciary Liability:** Provides protection for any violation of the responsibilities, obligations, or duties imposed on fiduciaries by the Employee Retirement Income Security Act (ERISA), as well as acts, errors, or omissions in the performance of the duties as a plan administrator. Coverage includes any benefit plan described in section 302(c) of the Labor Management Relations Act of 1947.

INSURANCE COMPANY OVERVIEW

The insurance policy is underwritten by Great American Insurance Company. The rating agency, A.M. Best, considers Great American to have a stable outlook and a superior financial rating of A, XIII.

2023-2024 PROGRAM HIGHLIGHTS

- Third Party EPL coverage is automatically included
- Anti-Trust sublimit of \$500,000
- \$150,000 sublimit for Wage & Hour defense costs
- Coverage for Punitive Damages (where insurable by law)
- Defense Costs Outside the Limit of Liability

CHAPTER LIMITS OF LIABILITY, PREMIUMS, & DEDUCTIBLES

- D&O / EPL / Fiduciary SHARED Limit Options (Each Chapter Has Its Own Limit of Liability, Subject to a \$2.0m Aggregate shared amongst ALL participating chapters):
 - ☑ Option A: **\$1,000,000** Each Claim / \$1,000,000 Annual Aggregate
 - Option B: **\$2,000,000** Each Claim / \$2,000,000 Annual Aggregate
- Deductibles:
 - ☑ \$1,000 -- Directors & Officers / Employment Practices Liability, \$0 -- Fiduciary Liability