

What is Group Personal Excess Liability?

Group Personal Excess Liability Insurance is a comprehensive benefit for key personnel, managers, and employees. Group Personal Excess Liability provides up to \$10,000,000 personal liability coverage for each employee in a defined group, and helps to assure that the most valued staff members' personal assets are protected. In addition, it awards a cost-competitive insurance product to valued employees. Group Personal Excess Liability Insurance is a true "group" policy; the insurance company will not individually underwrite or decline any individual in the designated group.

Benefits of Group Personal Excess Liability

- ➔ Group Personal Excess Liability coverage is more affordable than if purchased individually
- ➔ Employees can secure a higher limit of liability insurance under a Group policy than they might be eligible for individually
- ➔ The limits of coverage and policy structure can be designed so that different classes of employees receive different limits
- ➔ Choose one limit of coverage for all employees, or
- ➔ Choose two or more limits for designated groups of employees

Policy Highlights

- ➔ Worldwide Coverage
- ➔ Bodily Injury and Property Damage coverage for Outside Not-For-Profit Directors
- ➔ All Dependents/Relatives ("Family Member") Covered
- ➔ Personal Injury Coverage
- ➔ Employer Liability for Domestic Employees
- ➔ Limited Business Pursuits Coverage for Volunteer, Charitable, and at home, or away from home business
- ➔ Policy limits range from \$1,000,000 to \$50,000,000, and can be tailored to provide higher limits of coverage for selected employees

Optional Coverages

- ➔ Automatic Coverage for Newly Hired or Promoted Individuals to the "Defined Group"
- ➔ Reduced Underlying Requirement for Participants residing Outside of U.S.
- ➔ Three Year Pre-Paid Policy Term Available

Excess Liability

James Murphy, the minor son of Lee Murphy and Suzanne Murphy, was seriously injured in an accident involving a car owned and operated by his mother, Suzanne, and a car owned and operated by John Bisol. The latter had a liability policy that provided limits of \$100,000/300,000, and he also had a personal excess liability policy with a limit of \$1 million. His company paid the limits on both policies, but this was not sufficient to pay the boy's total damages.

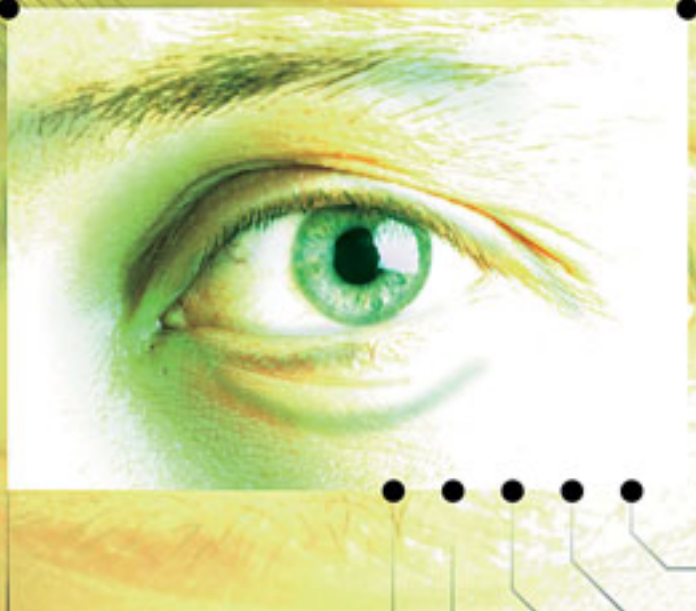
Suzanne Murphy had an auto liability policy issued by Safety Insurance Company covering her car, with UIM limits of \$250,000/500,000. She and her husband filed their claim under that policy for UIM benefits. Their policy stated that a motor vehicle was underinsured when the limits for bodily injury coverage were less than the limits shown for "this Part on your Coverage Selections Page; and not sufficient to pay for the damages sustained by the injured person."

It also provided that Safety would "pay any unpaid damages up to the difference between the total amount collected from the ... insurance covering the owner and operator of the responsible auto and the 'per-person' limit shown for this Part on your Coverage Selections Page."

The lower court concluded that the limits of Bisol's excess liability policy should not be considered and entered judgment against Safety. The Supreme Judicial Court of Massachusetts, Worcester, transferred the case to that court.

The higher court vacated the judgment entered in the trial court, holding that the limit of Bisol's excess policy could not be ignored. Safety believed that Bisol was not underinsured since the limits of his automobile policy and his personal excess liability policy, when added together, exceeded the limits of liability of UIM benefits in Safety's policy. The higher court agreed.

The higher court ruled that the \$1 million limit of Bisol's excess liability policy could not be ignored in determining whether he was underinsured so as to obligate Safety to pay UIM benefits to its insured.



Providing Business Insurance Since 1895

InsureHedge is a division of Gaston & Associates, Inc., a fourth generation family held independent insurance agency with a history dating to 1895. InsureHedge's marketing territory is national (and international) in scope, and we hold property-casualty and life-health licenses in all states except Hawaii.

InsureHedge is a risk management division focused exclusively on the unique coverage needs of financial exposures, and represents many leading companies in the financial community in a wide variety of ways. These range from ordinary business insurance responsibilities to the implementation of sophisticated retention plans to address the disproportionate relationship between high salaries and low exposure in the workers compensation needs of financial companies.

InsureHedge has become a world leader in all forms of professional liability insurance products for hedge funds and financial institutions by proactively anticipating changing client needs in order to offer the most up-to-date solution. We serve about three thousand clients in the U.S., Canada, Caribbean and in Europe.

Mission Statement

The mission of Gaston & Associates is to provide professional insurance services to the clients we represent.

- ✓ We strive to develop a customer base that will appreciate our service orientation and value added approach.
- ✓ We provide our clients with competitive, high quality insurance oriented products.
- ✓ We endeavor to maintain long-term customer relationships that are based on coverage and service.
- ✓ We embrace automation as a means to enhance service and improve communication.

To accomplish these goals, we establish departments, standards, workflows and procedures that enable us to provide a consistently high level of service to our customers. We staff each department with competent, ethical, individuals who are dedicated to continuing education and professional development.

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