

Pull out your current fiduciary liability policy and check the box next to each feature you can confirm it includes — anything unchecked is worth a quick conversation with your advisor.

STANDARD

OFTEN LIMITED

IF NEEDED

— Standard: should be included · Often limited: frequently sublimited or excluded · If needed: depends on your operations

POLICY FEATURE	WHAT TO CONFIRM	PRIORITY
☐ Breach of Fiduciary Duty	Covers claims that plan fiduciaries acted imprudently or not in participants' interest.	STANDARD
☐ Individual Fiduciaries Covered	Confirm committee members, officers, and employees acting as fiduciaries are insureds.	STANDARD
☐ Errors in Plan Administration	Covers mistakes in enrollment, eligibility, notices, and benefit calculations.	STANDARD
☐ Defense Costs	Confirm defense is covered and how it affects the limit.	STANDARD
☐ Excessive Fee & Class Action Retention	Fee suits often carry a separate retention of \$250,000 or more — confirm the amount.	OFTEN LIMITED
☐ Forfeiture & Prohibited Transaction Claims	New claim types may be sublimited or excluded — confirm they are covered.	OFTEN LIMITED
☐ Voluntary Correction Program (VCP / VFCP) Fees	Covers IRS and DOL correction fees — usually a small sublimit.	OFTEN LIMITED
☐ ERISA Civil Penalties (502(c), 502(l))	Covers certain government penalties — often sublimited.	OFTEN LIMITED
☐ Equitable Relief (Section 502(a)(3))	Many policies do not clearly cover court-ordered restitution or surcharge.	OFTEN LIMITED
☐ Health & Welfare Plans	Confirm self-funded health plans and surcharge claims are not excluded.	IF NEEDED
☐ Prior Acts / Retroactive Date	Fee claims reach back six years — confirm prior acts coverage.	IF NEEDED
☐ ERISA Fidelity Bond (separate)	Required by law and not provided by this policy — it sits on the crime policy.	IF NEEDED

COMMON GAP IN THIS COVERAGE

The gap most often missed in fiduciary coverage is the class-action retention. The base deductible may be \$10,000, but excessive-fee and similar class actions often carry a separate retention of \$250,000 to \$500,000 or more — and more than 600 fee suits have been filed in ten years, reaching plans as small as \$4.5 million. Many owners also assume the ERISA bond covers these suits; it only covers theft. Confirm the class-action retention, keep committee minutes, and benchmark fees regularly.

IMPORTANT — PLEASE READ

This checklist is a free educational tool from Cory Washington & Co. to help you review your own coverage and have a more informed conversation with a licensed insurance professional. It is general information only — not insurance, legal, or financial advice, and not a recommendation to buy, change, or cancel any policy. The Standard / Often Limited / If Needed labels describe general market patterns for this coverage — not a personalized recommendation or needs analysis for your specific operations. Coverage terms, availability, limits, and requirements vary by policy, carrier, and state, and only the language in your actual policy governs what is and isn't covered. Checking or leaving blank any item above does not indicate that you are adequately insured or under-insured. Using this checklist does not create a client, agency, or fiduciary relationship. Always consult a licensed professional about your specific situation.