

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

9 Campus Drive
Parsippany, NJ 07054
Telephone (856)552-4660

BULLETIN MEL 19-24

Date: January 1, 2019
To: Fund Commissioners of Member Joint Insurance Funds
From: Underwriting Manager, Conner Strong & Buckelew
Re: Public Officials and Employment Practices Liability

The bulletin does not apply to the workers compensation only members of the NJPHA JIF and the members of the First Responders Joint Insurance Fund.

The primary Public Officials and Employment Practices Liability coverage with QBE is provided to all participating MEL member JIFs, as follows:

All deductibles and coinsurances differ per member, but the following is a general summary of the coverage provided:

Insurer: QBE Specialty Insurance Company
Policy #: Various
Policy Period: 01/01/2019 – 01/01/2020

Coverage	Limits of Insurance
Coverage	
Public Officials / Employment Liability	\$2,000,000 <i>(limits available up to \$10,000,000)</i>
Member Entity Standard Retention	
Public Officials *	\$20,000 each loss
Employment Liability *	\$20,000 with approved LC/RMP * \$100,000 without approved LC/RMP *
Coinsurance	
Public Officials	20% of 1 st \$250,000 of loss
Employment Liability	20% of 1 st \$250,000 of loss with approved & certified LC/RMP 20% of 1 st \$2,000,000 of loss without approved & certified LC/RMP
Other	
Defense Costs	Inside the limit
Retention & Coinsurance	Eroded by Defense & Indemnity
Extended Reporting Period	12 months @ 200%
Claims Made Policy	Yes
Pay on Behalf Policy	Yes
Prior Acts	
Public Officials	See Next Page
Employment Liability	See Next Page
Additional Coverage	
Land Use Claim	\$150,000
Mutual Assistance Agreements	Fire, First Aid, etc.
Separation of Insureds	Included
Acts of Terrorism	Included

Professionals	
Auditor, Accountant and Engineer	Full Time Employed
Attorney	Full Time Employed (requires separate underwriting)
Fellow Employee	Excluded under the POL
Additional Employee Liability Coverages	
Front Pay, Back Pay, Future Damages	Defense only, when there are covered counts.
Persons Insured	
Governing Body, Departments, Units	Included
Elected, Appointed, Employed Officials	Past, Present, Future - Covered
Employees	Covered
Volunteers – EPL	All Volunteers
Volunteers – POL	Title 34 Volunteers Only
Person Serving on Outside Entity Coverage	Included
Business/Special Improvement Districts	Included, where approved by MELJIF and the member JIF
NOTE: DEDUCIBLES AND RETENTIONS - Member Entities that qualify based on certain criteria have options to purchase a lower deductible and co-insurance contribution.	
PUBLIC OFFICIALS/EMPLOYMENT LIABILITY SUMMARY (continued)	
* For member entities with unfavorable loss experience, the deductible with an approved LC/RMP program increases to a \$75,000 deductible per occurrence and the deductible without an approved LC/RMP program increases to a \$150,000 deductible per occurrence. All Members with adverse loss experience may be subject to higher deductible and coinsurance as provided by QBE North America.	
** There is a sub-limit of \$25,000 (inclusive of policy deductibles and co-insurance) for claims arising out of any loss, cost, or expense pertaining to, in whole or part, the performance, failure to perform or the refusal to perform a marriage or civil union.	
PUBLIC OFFICIALS PRIOR ACTS COVERAGE	
1. Any member with five (5) years or more of continuous membership gets full prior acts.	
2. New member or an existing member (with less than 5 years of continuous service) with an expiring policy providing <u>full prior acts</u> will get full prior acts from QBE.	
3. New member or an existing member (with less than 5 years continuous service) with an expiring policy providing less than full prior acts, QBE will honor its current retroactive date or provide one (1) year, whichever is greater.	
EMPLOYMENT PRACTICES PRIOR ACTS COVERAGE	
1. All current members through 12/31/96 will have a uniform retroactive date of 10/1/93. The members respective retention and coinsurance contribution in effect at the time the claim is made will apply. This is based on whether or not the member has an approved loss control/risk management plan in place.	
2. All new members on or after 1/1/97 with prior Employment Liability coverage will have a retroactive date of 10/1/93. All new members with prior coverage will have a six (6) month grace period for approval of a loss control/risk management plan in order to maintain the lower retention and the lower coinsurance contribution. Please see the QBE POL/EPL policy for retention and coinsurance amounts.	
3. All new members as of 1/1/97 with no prior Employment Liability coverage will have a retroactive date that is the same as the date of membership. All new members with no prior coverage will have the higher retention and higher coinsurance percentage until their loss control/risk management program is submitted and approved. See enclosed for retention and coinsurance amounts.	

If you have any questions concerning this bulletin, please contact your Risk Management Consultant, JIF Executive Director or the Underwriting Manager.

The above description is a general discussion of the coverage and limits provided by the FUND. However, the actual terms and conditions are defined in the policy document and all issues shall be decided based on the policy document.

cc: Risk Management Consultants
Fund Professionals
Fund Executive Directors

APPLICATION FOR EMPLOYMENT PRACTICES LIABILITY COVERAGE
Municipal Excess Liability Joint Insurance Fund
c/o QBE North America
9 Campus Drive, Suite 216
Parsippany, NJ 07054

UNDERWRITTEN BY QBE NORTH AMERICA

Employment Practices Liability Coverage is written on a claims-made basis. Except, as otherwise provided, this policy will cover only claims first made against the Insured during the Coverage Period. Please read the policy carefully.

The limit of liability of this policy will be \$2,000,000 each loss and annual aggregate for each Coverage Period subject to the policy retention and Coinsurance provision.

The Defense Cost provision of this policy stipulates that the Limits of Liability may be completely exhausted by the cost of legal defense. Any retention may be similarly reduced or exhausted by Defense Costs.

1. GENERAL INFORMATION

Member _____ Public
Entity _____
Address _____ JIF

2. MATERIAL CHANGE

Signing of this application does not bind the Member Public Entity or **QBE North America**. If there is any material change in the answers to the questions prior to the policy inception date, the Member Public Entity will notify the **QBE North America** Company in writing and any outstanding quotation may be modified or withdrawn.

3. UNDERWRITING INFORMATION **YES**
NO

Have you adopted a Loss Control/Risk Management Plan? _____
(If yes, attach a copy of the LC/RMP Plan **including the completed checklist** and applicable Ordinance/Resolution #)

Does said Loss Control/Risk Management Plan address the **minimum requirements as set forth in the MELJIF "Checklist for Members without Previously Approved Loss Control Plans"**? _____

4. LOSS HISTORY

Please attach a listing of all employment related lawsuits as well as administrative proceedings (e.g. EEOC) commenced during the past 3 years. Describe the type of allegation, the court or agency involved and any determination, judgment, defense cost or settlement for each.

Is the Member Public Entity presently subject to any judicial or administrative order, decree, judgment or conciliation agreement relating to employment? Yes No. If yes, please attach a copy.

5. PRIOR INSURANCE

Does the Member Public Entity currently have employment practices liability or similar insurance?
 Yes No. If no, skip to Section 8 and answer the warranty statement. If yes, provide the following:

	Insurer	Limits	Deductible	Policy
Period				

_____ \$ _____ \$ _____

Has the Member Public Entity or any Insured given written notice under the provisions of any prior or current employment practices liability or similar insurance of specific facts or circumstances which might give rise to a claim being made against any Insured?

Yes No. If yes, attach details.

6. PRIOR KNOWLEDGE/WARRANTY

It is important that you complete this paragraph. The Mayor and Council are not aware of any facts or circumstances which he or she knows or should have reason to know might give rise to a future claim that would fall within the scope of the proposed coverage, except: (If no exceptions please state).

It is agreed that if such facts or circumstances exist, whether or not disclosed, any claim or action arising from them is excluded from this proposed coverage and forms the basis for a rescission of this policy.

7. FALSE INFORMATION

Any person who, knowingly and with intent to defraud any insurance company, Joint Insurance Fund, **QBE North America** or other person, files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

8. WARRANTY, DECLARATION AND SIGNATURE

The undersigned declares that to the best of his or her knowledge and belief that the statements set forth herein are true. The signing of this application is a warranty on behalf of the Insured, which the **QBE North America** is relying upon and is affording coverage pursuant to any policy, which may be issued. Any and all warranties or statements in this application shall be deemed the basis for and attached to and shall form a part of any policy which may be issued.

This section of the application must be signed by the Governing Body and Administrator of the Member Public Entity and attested.

Chairperson/Mayor's Signature

Name:

Date:

Attest Signature

Name:

Date:

Administrator Signature

Name:

Date: