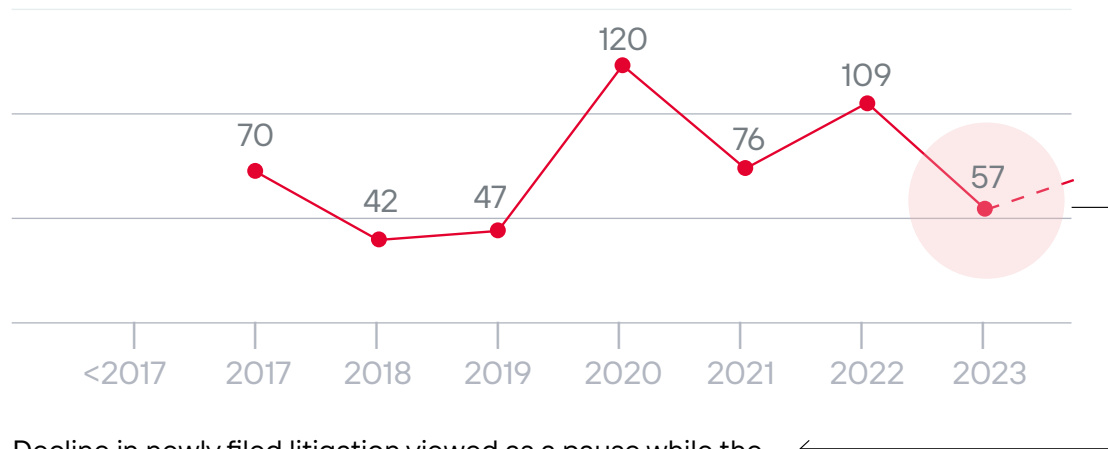


# Excessive Fees and Employee Retirement Income Security Act (ERISA) Litigation

## Excessive Fee Case Filings



Decline in newly filed litigation viewed as a pause while the plaintiff's bar works through a large inventory of unresolved claims.

## Emerging Concerns

1. Excessive fees allegations concerning employee health care plans
2. Counter ESG litigation brought vs. plans that invest in ESG funds
3. Cyber breach of employer sponsored health and welfare plans

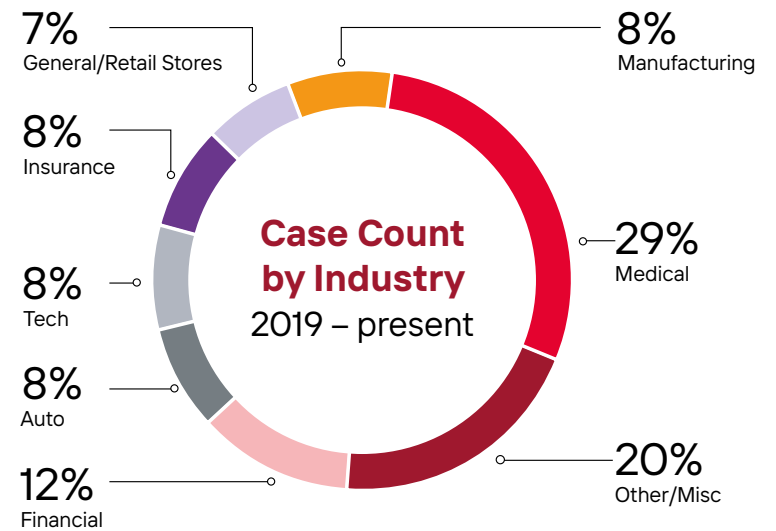
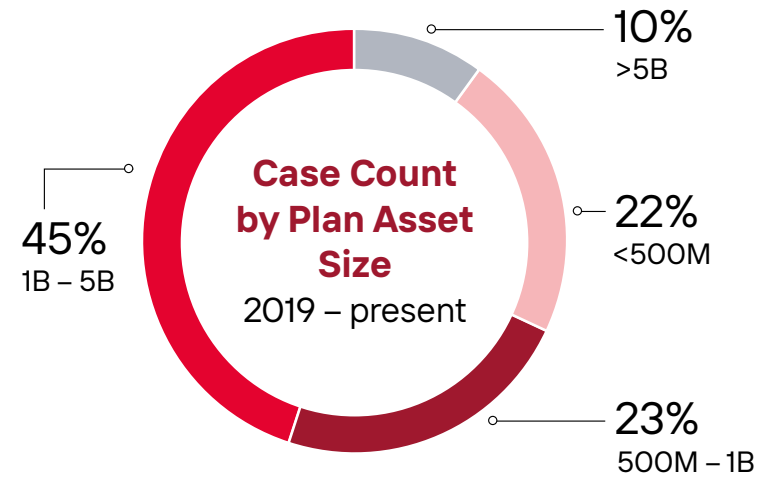
## Litigation Statistics

More than  
**\$2.2B**  
Total damages paid since 2010

**11%**  
Dismissal rate

**37%**  
Settlement percentage

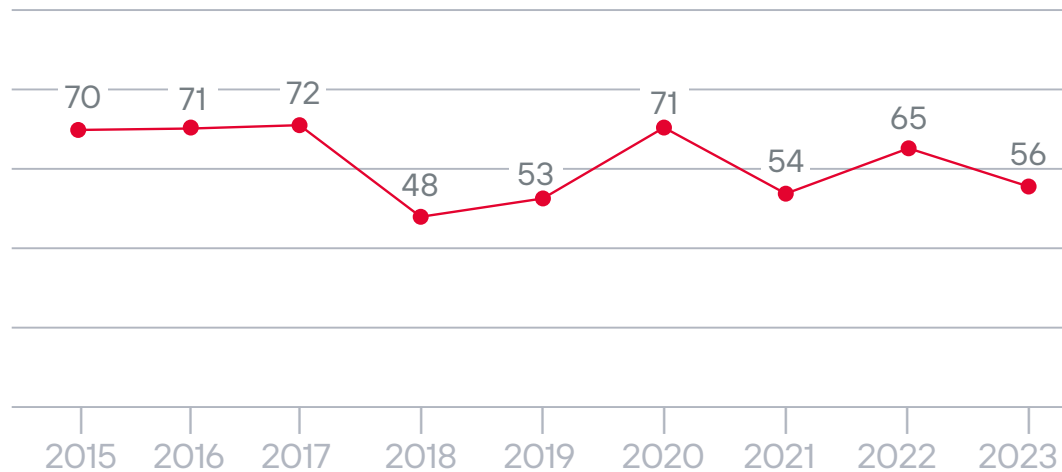
**32%**  
Unresolved cases



# Excessive Fees and ERISA Litigation (continued)

## Employee Stock Ownership Plan (ESOP) Litigation – One of the most consistent drivers of Fiduciary Liability losses

### Case Filings



### Litigation Statistics

<p>More than</p> <p><b>\$16B</b></p> <p>Total damages paid since 2010</p>	<p><b>13%</b></p> <p>Dismissal rate</p>	<p><b>39%</b></p> <p>Settlement percentage</p>
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### Litigation Drivers

- Inflated price of stock purchased by ESOP
- Sale of the company owned by ESOP
- Founders of the company selling shares to the ESOP at inflated prices

### Delivering the Ease of Expertise.™

We understand that the shift in the fiduciary liability insurance market has been dramatic over the past four years. To assist our broker and client partners in understanding the dynamics behind this shift, we have elected to share data that we have collected on excessive fees litigation trends.

Our primary focus is expanding relationships where our team writes other management liability coverage, by offering a compelling fiduciary liability insurance program.

- 10 years writing fiduciary liability business
- 27% Compound annual growth rate in policy count since 2019
- 500+ primary insured relationships since 2019