

## E — F

**EFFECTIVE DATE** - The inception or starting date and time of an insurance policy.

**EMBEZZLEMENT** - Fraudulent use or theft of another's property or money which has been entrusted to one's care.

**EMPLOYEE BENEFITS LIABILITY COVERAGE** - Protects your business from losses arising from the administration of employee benefit programs, such as enrolling employees in a health plan.

**EMPLOYEE DISHONESTY COVERAGE** - Reimburses you for financial loss to your business due to dishonest or fraudulent activities of one or more employees.

**EMPLOYEE RETIREMENT INCOME SECURITIES ACT OF 1974 (ERISA)** - Prescribes federal standards for funding, participation, vesting, termination, disclosure, fiduciary responsibility, and tax treatment of private pension plans.

**EMPLOYER'S LIABILITY COVERAGE** - Employer's liability protects employers for their legal liability for bodily injury by accident or disease to an employee arising out of and in the course of the employee's employment when not covered under the state workers compensation law. Before benefits are paid under this coverage, the employee must prove the employer is liable for the injury. See also Workers' Compensation Insurance.

**EMPLOYMENT PRACTICES LIABILITY COVERAGE** - Protects your business against work-related lawsuits (claims) resulting from wrongful termination or discipline, discrimination, sexual harassment, and failure to employ or promote.

**ENDORSEMENT** - A written amendment added to and made a part of an insurance policy for the purpose of changing the original insurance policy language.

**EQUIPMENT BREAKDOWN COVERAGE** - Pays to repair or replace your equipment in case of breakdowns caused by losses that are typically excluded from most business insurance policies, such as power surges, mechanical malfunctions, and boiler explosions. Covers computers, scanning equipment, phone systems, air conditioners, refrigeration systems, and many other types of equipment. It may also be known as Systems Breakdown Coverage.

**ERISA** - See Employee Retirement Income Securities Act of 1974.

**ERRORS AND OMISSIONS (E & O) INSURANCE** - Protects you against liability for committing an error or omission in the performance of professional duties. Generally, such policies are designed to cover financial losses rather than liability for bodily injury or property damage. See also Media Professional Liability.

**EXPIRATION DATE** - The date specified in an insurance policy as its termination date.

**EXPOSURE** - The state of being at risk of loss due to some hazard or contingency. Also used to measure the rating units or the premium basis of a risk.

**EXTRA (or EXPEDITING) EXPENSES** - increased costs or "extra" expenses incurred in order to reduce down time and thus resume business operations more quickly following a covered loss to

covered property and/or equipment. This aspect is often overlooked and can be more critical to the continuity of operations than "pure" business income protection.

**EXTRA EXPENSE COVERAGE** - Covers additional costs of continuing your business following a loss or damage to your insured property (building and/or personal property). For example, the expenses of an alternative office space, critical equipment or tower site after a covered loss for a specified period. This is important coverage if you can't close your business in the event of a covered loss, but must quickly find alternatives to continue your business operations.

**FAULTY STOCK, CAMERA AND PROCESSING** - A buy-back of several listed "faulty" or human error perils excluded under most Negative Film & Media Coverage such as faulty stock, faulty cameras and sound equipment; faulty developing, editing and processing and accidental exposure to light. And just as with Negative Film & Media Coverage it pays for the re-shooting expense (on a reimbursement basis) for loss or damage to exposed motion picture and magnetic or video tapes, including sound tracks and records.

**FIDELITY BOND** - Reimburses you for losses caused by dishonest or fraudulent acts of employees.

**FIRE DAMAGE LEGAL LIABILITY COVERAGE** - Pays for fire damage to property of others in the building you occupy caused by your business. It can also be limited in scope to only apply to those parts of the building that you occupy that may be damaged due to fire arising from negligence by you or an employee.

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The abbreviated outlines of coverage used throughout this proposal are not intended to express any legal opinion as to the nature of coverage. They are only visuals to a basic understanding of some of the coverage options available. Please consult your agent, broker or insurance consultant and your actual insurance policy for more specific coverage details.