

Making the Case for Third Party Liability Coverage

A lawsuit can cost your business hundreds or millions of dollars, based upon the allegations and the evidence. Defense costs can be financially substantial and the dollar figure is just part of the cost. Consider the time spent away from work, the emotional toll, the effect on morale and the damage to your business reputation.

While many claims are filed by current and former employees, other sources of lawsuits include competitors, customers, suppliers, vendors, banks and other creditors, and governmental and regulatory agencies. In the cases below, companies found themselves at odds with the very people they serve – their customers.

Publisher Sued for Discriminatory Residential Notices

A discrimination advocacy group brought a lawsuit against a nationwide Web-based advertising and publishing firm. The class action suit alleged that the ad firm published advertisements about the sale or rental of dwellings that discriminated on the basis of race, color, religion, sex, familial status or national origin. Even though the insured successfully moved to have the case dismissed, defense costs totaled \$300,000.

Hotel Customer Alleges Disability Discrimination

Claimants filed a lawsuit against a national hotel chain, alleging disability discrimination when they were denied access to handicapped accessible rooms. The claimants also alleged they were not provided necessary amenities such as shower chairs, lower closet poles and a lower front desk for check-in. The matter settled for \$30,000 with a stipulation that the insured would remedy the alleged violations. Total defense costs were \$50,000.

Paralegic Files Suit Against Restaurant for Encountering Physical Barriers

A paralegic filed a lawsuit against a national restaurant chain. He alleged that when attempting to patronize one of the insured's restaurants, he encountered physical barriers that prevented him from entering and dining at the restaurant. These barriers included ramps without railings, narrow handicapped parking spaces and inoperable handicapped accessible entrance doors. The case ultimately settled for \$25,000 with an agreement by the insured to remedy the issues. Defense costs totaled \$40,000.

Protect Your Company

The risk for your company is real and significant. So is the protection you can have with insurance offered by Monitor Liability Managers, LLC. With third party liability added to your EPL coverage, you can protect your company from claims brought by non-employees for all types of discrimination (including costs of defense for Americans with Disabilities Act (ADA) and public accommodation claims) and/or harassment.

Learn More

Contact your insurance agent for more information about adding Monitor's Third Party Liability Endorsement to your coverage.



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