

# Employment Practices Liability Insurance



## The Risk is Real

Employment Practices Liability (EPL) encompasses a broad range of issues such as gender, race and age discrimination, harassment, wrongful termination and retaliation for workers' compensation claims.

Monitor's EPL Insurance protects businesses against liability for claims brought by employees who allege employment-related wrongful acts.

## Coverage Features

- Employment practices liability protection for claims made by current, former and potential employees
- Claims protection extends to the company, employees and directors
- Coverage includes full-time, part-time, leased, seasonal and temporary employees
- Covered claims include regulatory proceedings such as Equal Employment Opportunity Commission (EEOC) charges
- Covered losses include damages and defense costs
- Full prior acts coverage

## Policy Enhancements

- Third party liability coverage for claims brought by customers for discrimination (including costs of defense for Americans with Disabilities Act (ADA) and public accommodation claims) and/or harassment
- \$100,000 costs of defense for claims alleging violation(s) of the Fair Labor Standards Act
- Optional \$100,000 sublimit for franchisor if named in a claim along with the named insured (franchisee)
- Modified settlement clause (80%/20% coinsurance) and a 10% reduction in the deductible upon consent to settle

- Optional \$25,000 costs of defense for criminal investigations brought by any government agency for alleged hiring or harboring of illegal aliens
- Costs of defense in addition to limit of liability

## Program Specifics

- Policy limits from \$250,000 to \$5 million
- Premiums start as low as \$2,500 annually
- Minimum deductible of \$2,500

## Risk Management Services

- Unlimited access to a toll-free Employment Practices Liability Helpline that provides expert EPL advice
- Experienced and professional in-house claim representatives with expertise in employment practices claims

## Don't Settle for Less

Many business owners carry a standard Business Owners Policy (BOP) or General Liability (GL) policy. Most of them don't know about the EPL exposures not covered by these types of policies. Business owners are often unaware of gaps in coverage leaving them exposed to substantial losses. These losses can destroy a growing company and even endanger the personal assets of a business owner.

### Contact Us!

Monitor has a proven track record of delivering high-quality, affordable and flexible EPL coverage.

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## The Risk is Real for Your Business

The number of employment-related lawsuits brought against businesses continues to increase.

Consider the facts:

- ▶ The Equal Employment Opportunity Commission (EEOC) recorded over 95,000 charges in 2008
- ▶ In 2008, the EEOC experienced across-the-board increases in discrimination and retaliation charges
- ▶ Private businesses with 100 or less employees are the most often sued for federal discrimination claims
- ▶ The average cost of an EEOC lawsuit in 2008 exceeded \$279,000

**Here are just a few examples of the damage a single lawsuit can cause.**

### Gender Discrimination/Retaliation

The Equal Employment Opportunity Commission (EEOC) filed a gender discrimination and retaliation lawsuit against a large restaurant chain on behalf of a former female employee. According to the suit, the restaurant paid the female employee significantly less than a similarly qualified male employee who performed the same duties. She alleged that she was subject to different terms and conditions of employment based on her gender. She spoke to management multiple times about her concerns, but no action was taken. Shortly after her last complaint, she was terminated. The case went to trial and the jury concluded that the restaurant acted with malice and reckless indifference to her federally protected rights. The female employee was awarded over \$100,000 in compensatory damages and \$2.1 million in punitive damages.

### Racial Discrimination

A software developer at a Web design firm alleged racial discrimination because he was denied a promotion to a senior-level position. He alleged that after interviewing twice, he was told that there were no available positions. The software developer also claimed that following his interviews, the firm advertised for the same position that he was told was unavailable. The firm denied his allegations. They stated that after the software developer was initially interviewed, they made a business decision not to hire for the senior-level position. Defense costs exceeded \$50,000.

## Wage and Hour

Two employees at a furniture manufacturer filed a lawsuit alleging they should have received overtime pay. The employees alleged that they routinely worked up to 70 hours per week, but were not paid at the overtime rate. The U.S. Department of Labor investigated the case and found that the furniture manufacturer violated the Fair Labor Standards Act (FLSA) by failing to pay overtime wages for all time worked beyond 40 hours. In addition to being heavily fined, the furniture manufacturer incurred defense costs of \$100,000.

## The Monitor Difference

Monitor Liability Managers, LLC is an underwriting management company specializing in professional liability insurance. We have the experience, proven track record, financial strength and products to provide our clients with first-rate protection.

All insurance products are not created equal. The true value of an insurance product comes from the people and the company backing it.

## Strength and Stability

As a member company of the W. R. Berkley Corporation and with full underwriting and claims settlement authority for all of its insurance products, Monitor provides insureds with access to the resources of a large corporation combined with the outstanding customer service of a smaller company.

Monitor underwrites professional liability insurance on behalf of W. R. Berkley Corporation member companies. A Fortune 500 company, Berkley has annualized revenues of \$4.7 billion, total assets of \$16.1 billion and stockholders' equity of \$3 billion. Monitor issues policies through two of the industry's most respected and trusted insurers, Admiral Insurance Company, rated "A+" (Superior) by A.M. Best Company, and Carolina Casualty Insurance Company, rated "A+" (Superior) by A.M. Best Company. Both are W. R. Berkley Corporation member companies.