

# Employment Practices Liability Insurance for Accounting Firms



## The Risk is Real

Many owners and managers of accounting firms don't really understand what employment practices liability (EPL) is and the broad range of issues it encompasses. Gender, race and age discrimination. Harassment of all sorts. Wrongful termination. Disability rights. Retaliation for workers' compensation claims. The list goes on.

## The Consequences Can Be Catastrophic

Unfortunately, those who suffer the most are the very ones who can't afford the debilitating financial devastation that can result from even a single employment practices liability lawsuit. Consider the facts:

- ▶ The Equal Employment Opportunity Commission (EEOC) recorded over 95,000 charges in 2008
- ▶ 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

Some accounting firms may consider going without EPL coverage to save money. Others mistakenly assume they are covered under their general liability policies, which most often have a standard exclusion for employment practices liability exposures. Going without EPL insurance can be a costly decision. Even if you only have a few employees, you need EPL coverage.

## The Solution is Here

The risk for your accounting firm is real and significant. So is the protection you can have with insurance offered by Monitor Liability Managers, LLC. Our Employment Practices Liability Accounting Firm Program can help you manage the risks and avoid the burdens of employment-related claims.

## Accounting Firm Program Eligibility

Monitor's EPL insurance coverage is available for a wide variety of accounting firms including those that are organized as general partnerships, professional corporations, limited liability partnerships or limited liability companies. We insure small to midsize firms — those with five or more employees.

## EPL Policy Enhancements for Accounting Firms

- ▶ Third party liability coverage for claims brought by clients for discrimination and/or harassment
- ▶ Waiver of deductible if no liability
- ▶ Unlimited access to a toll-free Employment Practices Liability Helpline that provides expert EPL advice

### A Trusted Source

Monitor has a proven track record of delivering high-quality, affordable and flexible EPL coverage that addresses the special needs of accounting firms.

For more information about Monitor's Employment Practices Liability Accounting Firm Program, you or your insurance agent can contact:

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Here are just a few examples of the havoc a single employment-related lawsuit can wreak on an accounting firm.

## Disability Discrimination

An employee brought a disability discrimination suit against his former employer, a large accounting firm. The employee was dismissed from his job when his employer found out that he had multiple sclerosis. The accounting firm tried to justify the dismissal by alleging that the accountant was untruthful on his job application when he failed to reveal his disability. The case went to trial, and the jury found that the accounting firm had violated the Americans with Disabilities Act (ADA) by asking medically related questions on their job application and by dismissing the employee due to his disability. The accountant was awarded a \$50,000 settlement.

## Gender/Age Discrimination

A 61-year-old female accountant filed a gender and age discrimination suit against her former employer, a midsize accounting firm. The accounting firm alleged that she was dismissed based solely on poor performance. It was revealed during mediation that the accountant had since been replaced by a younger, less experienced male accountant. Defense costs totaled \$36,000. The case settled for \$125,000.

## Wrongful Termination

A former administrative assistant sued a small accounting firm. She alleged that she was subjected to racially derogatory comments and discriminatory treatment. She further alleged that she reported these problems verbally and in writing, and the firm failed to take action regarding her complaints. The accounting firm terminated the employee during her probationary period after verifying that she had threatened the life of another employee. The accounting firm's defense costs were more than \$25,000.

## 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.