

Employment Practices Liability Insurance for Architectural and Engineering Firms



The Risk is Real

Many owners and managers of architectural and engineering 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 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 firm is real and significant. So is the protection you can have with insurance offered by Monitor Liability Managers, LLC. Our Employment Practices Liability Architectural and Engineering Firm Program can help you manage the risks and avoid the burdens of employment-related claims.

Architectural and Engineering Firm Program Eligibility

Monitor's EPL insurance coverage is available for a wide variety of architectural and engineering 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 Architectural and Engineering Firms

- ▶ Third party liability coverage for claims of discrimination and/or harassment, whether for acts by subcontractors or employees
- ▶ 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 architectural and engineering firms.

For more information about Monitor's Employment Practices Liability Architectural and Engineering 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 architectural and engineering firm.

Wrongful Termination

An engineer was terminated after he accumulated multiple unexcused absences and failed to complete his assigned work. His missed deadlines caused the loss of a key client, who later contracted with the firm's competitor. In addition, the firm asserted that his previous work showed a lack of quality. The engineer sued the company claiming they failed to follow the corrective action procedures as described in the company's employee handbook. The firm incurred \$150,000 in legal fees and expenses. The case ultimately settled for \$100,000.

Gender Discrimination

A female architect sued an engineering firm for alleged gender discrimination after she was denied a promotion. She also claimed that her project manager sexually harassed her. The firm refuted the architect's allegations and the project manager denied that the harassment occurred. The firm maintained that she did not receive the promotion due to poor work performance. Even though the case settled quickly, the firm incurred defense costs of \$11,000. The case settled for \$350,000.

Wrongful Termination

The owner of a prominent engineering firm hired a close friend as a marketing manager. Due to the involved friendship, employment terms were discussed verbally and there was only a rough-draft of the written job description. After five years had passed, the marketing manager grew bored with the monotony of his position and began to market his services to competitors. When the owner found out about his actions, he terminated the manager's position. The manager filed a breach of oral contract suit. He claimed that the owner had no right to break the contract based on work he conducted after hours. Defense costs totaled more than \$220,000. The case settled for \$350,000.

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.