

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 "hammer 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 24-hour toll-free employment practices liability hotline that provides expert advice about EPL questions, concerns or issues
- An experienced and professional in-house staff of 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 that can leave them exposed to substantial losses. These losses can destroy a growing company and even endanger the personal assets of a business owner.

Contact Frost Insurance for a quote.

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Employment Practices Liability Insurance

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.

Sexual Harassment

Two former female employees who alleged they had been sexually harassed sued a manufacturer of housewares and assorted products. The former employees claimed they were offended by the comments contained in a radio broadcast played in the office by co-workers. According to the claimants, the co-workers continued to listen to the particular radio station despite repeated requests to turn it off or change the station. Although employers often allow personal radios to be played in the workplace, they might not expect claims of sexual harassment to arise from such a seemingly innocuous circumstance. Monitor paid more than \$325,000 to resolve this matter.

Wrongful Termination/Discrimination

The plaintiff was a pool attendant at an upscale hotel. He showed up to work with a shaved head. Such an extreme haircut violated the hotel's grooming policy and the plaintiff was told to wear a hat until his hair grew back. When the plaintiff complained that he was being treated differently than other bald workers, he was terminated for insubordination and for violating the hotel's policies. The plaintiff sued for national origin discrimination and retaliation. The case settled for \$150,000.

Fair Labor Standards Act

A local restaurant chain was named in a class action lawsuit. It alleged that the restaurant's employee delivery drivers were required to use their own vehicles for deliveries and the driver expense reimbursement rate was substantially less than the actual cost of operating and maintaining their vehicles. The lawsuit also alleged a failure and refusal to pay minimum wages, a failure to fully indemnify all necessary expenses and costs incurred as a result of the performance of their duties as delivery drivers and a failure to allow meal and rest breaks. Total defense costs paid were over \$50,000.

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" (Excellent) by A.M. Best Company. Both are W. R. Berkley Corporation member companies.