

Small Business Employment Practices Liability Insurance



Comprehensive Protection

Employment Practices Liability (EPL) encompasses a broad range of exposures such as gender, race and age discrimination, harassment, wrongful termination and retaliation. The list goes on.

Monitor's Small Business EPL Insurance protects small to midsize 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 business, employees and owners
- ▶ 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

Coverage Enhancements¹

- ▶ 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
- ▶ Optional \$100,000 costs of defense for claims alleging violation(s) of the Fair Labor Standards Act (FLSA)
- ▶ Optional \$25,000 costs of defense for criminal investigations brought by any government agency for alleged hiring or harboring of illegal aliens

¹This coverage overview is not a part of an insurance contract and does not supersede the policy. Please read the policy form for complete terms, conditions and exclusions.



www.monitorliability.com (800) 446-2100

Simplified Process

- ▶ Seven question application
- ▶ Access MyMonitor for a quote
- ▶ Automatic renewals for claim free accounts
- ▶ Direct billing — payment plans available

Program Specifics

- ▶ Limits range from \$100,000 to \$1 million
- ▶ Premiums may start as low as \$900
- ▶ Minimum deductible of \$1,000

About Monitor Liability Managers, LLC

For nearly two decades, Monitor has provided comprehensive executive and professional liability insurance at competitive prices. Our consistency of leadership, outstanding customer service and industry expertise enable us to provide insurance products unsurpassed in the marketplace.

Monitor is a member company of the W. R. Berkley Corporation with full underwriting and claims settlement authority for its insurance products.

A+ Rated Insurance Carriers

- Admiral Insurance Company (Nonadmitted)
- Berkley Insurance Company (Admitted)
- Carolina Casualty Insurance Company (Admitted)
- ▶ A.M. Best Company rated: A+ (Superior)

Contact Us

Lynette M. Lyngaas
Assistant Vice President
(800) 446-2100, ext. 557

Submissions

E-mail: eplisubmissions@monitorliability.com
Fax: (847) 806-6282

Small Business Employment Practices Liability Insurance

Consider the Facts

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

- ▶ The Equal Employment Opportunity Commission (EEOC) recorded nearly 100,000 charges in 2010 — a record high and a 7% increase from 2009
- ▶ The EEOC reported significant increases in Americans with Disabilities Act (ADA) and Genetic Information Nondiscrimination Act (GINA) charges
- ▶ For the first time ever, retaliation charges were the most frequently filed charge in 2010 with charges increasing 68% between 2000 and 2010
- ▶ The average cost of an EEOC lawsuit in 2010 exceeded \$270,000

Protect Your Client's Business

Many small 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 business and even endanger the personal assets of the owner.

Risk Management Services

Monitor provides a suite of risk management services to its insureds at no cost. These services are offered by Gordon & Rees, LLP and give our insureds access to:

- ▶ Unlimited calls to a toll-free, confidential human resources helpline that provides expert advice about employment-related workplace concerns
 - (877) 503-4595
- ▶ A risk management Web site, MyHRHelp, that provides resources covering all areas of workplace law and includes templates of employment applications, policies, procedures and an employee handbook
 - www.myhrhelpweb.com
- ▶ A subscription to the newsletter, *Employment Law Updates*, that highlights important workplace law news and trends

Claims Expertise

With more than 100 years of combined experience, Monitor's claim professionals and attorneys respond to and manage claims effectively. Our experts handle a wide range of claims that occur with the most sophisticated risks in the market.

Claims Examples

Fair Labor Standards Act

A local florist franchise was named in a class action lawsuit. It alleged that the florist'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 more than \$50,000.

Racial Discrimination

A former employee of a small jewelry store alleged he experienced several separate and repeated events of racial harassment, including abusive language and threats of violence from his manager. The store owner ignored the employee's complaints and the manager denied the allegations. The employee brought suit against the manager and the store. The store incurred more than \$70,000 in legal fees and expenses before the case ultimately settled out of court for \$75,000.

Improper Wage Practices

A paralegal at a local law firm alleged that she failed to receive overtime compensation for assigned work completed after regular hours. She alleged that her status was misclassified as exempt; therefore she did not receive overtime pay according to the provisions of the FLSA. The law firm incurred fees in excess of \$11,000. The case settled for \$13,500.