

# WHAT IS EMPLOYMENT PRACTICES LIABILITY COVERAGE?

## EPL IS WRITTEN TO:

- Protect the company against damages for events relating to their workforce, including but not limited to; wrongful terminations, harassment, discrimination, defamation and unfair hiring/firing practices; and
- Provide defense costs associated with responding to employment related lawsuits.

## WHY PRIVATE COMPANIES SHOULD CONSIDER BUYING EPL LIABILITY COVERAGE?

- Employers are facing increasing legal obligations while managing their workforces;
- Increased awareness and visibility of employment related lawsuits;
- Settlements can have a significant impact on the company's financial stability;
- Cost to defend against employment suits is high regardless of the outcome;
- An employment lawsuit, if not handled properly, can cause irreparable harm to a company's reputation;
- Lawsuits based on language in employee handbooks and other written policies and procedures are increasingly common; and
- Compliance with laws in the workplace is costly, requires expertise, monitoring and training.

## EPL FILED COMPLAINTS AND CHARGE RECEIPT STATISTICS (EEOC DATA)

- In 2013, claimants filed 93,727 charges with the EEOC resulting in 97,252 resolutions.
- The largest area of resolved complaints is merit resolutions. Merit resolutions are charges with outcomes favorable to the charging party.
- For further information, check out the [EEOC.gov](http://EEOC.gov) website directly.

### EPL Charge Statistics (EEOC Data)

<u>Charge Filed</u>	<u>% of Total</u>		
Retaliation	41.1%	Disability	27.7%
Race	35.3%	Age	22.8%
Sex	29.5%	National Origin	11.4%
		Religion	4.0%

## WHAT ARE THE SOURCES OF EPL CLAIMS?

- Race and Sex Discrimination
- Employees, former employees and employment applicants:
  - Wrongful termination
  - Invasion of Privacy
  - Emotional Distress
  - Breach of contract
  - Discharge in Violation of Public Policy
  - Assault and Battery
  - Harassment / Discrimination
  - Defamation
- Regulatory Violations and Government Investigations:
  - Equal Employment Opportunity Commission (EEOC)
  - Department of Labor (DOL)
  - Age Discrimination in Employment Act (ADEA)
  - Equal Pay Act (EPA)
  - Title VII
  - Americans with Disabilities Act (ADA)
  - Fair Labor Standards Act (FLSA)
  - Family Medical Leave Act (FMLA)
- Federal, State, City and County Statutes
- Customers, clients and consumer groups