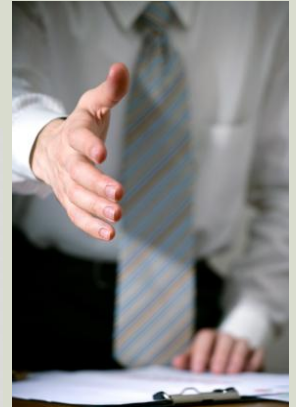


Employment Practices Liability Insurance

Hiring employees means there will be work-related situations that could end up in lawsuits. Are you equipped to defend yourself?



In every “Employee/Employer” relationship, there is a potential of a work-related situation such as an employee being laid off or fired, questionable choice of personnel hired or promoted, inappropriate behaviour, problematic hiring process, etc. Each of these situations makes an employer a target of legal action from either past, present or prospective employees. Employers are now more accountable for their methods as well as for the actions of their employees.



When employers are sued by employees for employment-related acts such as failure to promote, wrongful dismissal, harassment, and employment discrimination – even if a suit is groundless – they will have spent time, money and resources navigating through the complexities of a legal battle, arbitration case and regulatory situations.

In lieu of an EPLI policy you might think that your commercial insurance portfolio provides some relief in such a situation. The contrary is true in that a general liability insurance policy specifically excludes or does not cover employment lawsuits.

EPLI policies vary; however, they generally afford defense and compensatory damages. Some insurers also assist in loss prevention by providing information on training, assistance with employment issues, loss-prevention tools (model employment policies, procedures, and forms), an EPLI attorney and loss control personnel.

At GPL, we will counsel you to better understand the benefits of an EPLI policy, so you can make an informed decision. For example, you need to consider the following:

- Which extensions are needed to improve the wording;
- Which exclusions can be amended to add carve-outs to minimize negative consequences;
- No EPLI policy is all-inclusive, nor do they cover equally – the differences need to be considered;
- You can choose an EPL cover on your D&O policy (shared limits & Non-Entity coverage) or you can purchase a stand-alone policy;
- What dates are acceptable to your company, as they limit or impact the policy coverage (dates defined as “retro”, “continuity”, “prior acts” and “pending and prior litigation”);
- When to report a claim or circumstances – there are terms affecting your decision.

At GPL, we can respond to your needs. We will answer questions and inform you about the protection that needs to be considered for your executive risks such as Employment Practice Liability, Directors & Officers Liability, Fiduciary Liability, Crime, Kidnapping and Extortion.

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