

# Employment Practices Liability

## Frequently Asked Questions\*

### **What is Employment Practices Liability Coverage?**

Employment Practices Liability coverage protects small businesses from employment-related claims brought by employees, independent contractors, leased employees and even applicants for employment who are alleging discrimination, harassment (including sexual harassment), wrongful termination as well as other employment-related wrongful acts.

Coverage also protects the insured against charges of discrimination or sexual harassment brought by customers, clients or vendors against the business.

### **Why do Businesses Need this Coverage?**

Small businesses need this coverage because:

- Small businesses may lack in-house resources like human resource departments or legal teams
- All small businesses make employment decisions including hiring, compensating and terminating, that can expose them to a wrongful employment practices claim
- Some cases may be groundless; however, these cases still require defense. Simply defending an EPL claim can be a financial hardship for employers that do not have EPL coverage
- Employment laws are continuously changing on the federal, state and local levels. It's important for employers to stay current on these laws

### **What Coverages are Included?**

- **Insuring Agreement Coverages**
- **Duty to Defend Basis**
- **Prior Acts Coverage**
- **Claims Made and Reported**
- **Supplemental Extended Reporting Period**
- **Automatic Extended Reporting Period**

- **Third Party Coverage**
- **ADA Website Accessibility Coverage**
- **Worldwide Coverage**
- **Optional Third Party Coverage**

### **Are there Any Exclusions?**

Very few classes of business are ineligible; however, restrictions may apply. Please contact your representative for more information.

### **What Value Added Services Are Provided?**

- Legal advice helpline for business owners to obtain general employment guidance (usage does not erode the limit)
- Loss prevention website with current, ready-made employment policies, procedures and training modules to assist the insured in building effective human resources policies to mitigate risks
- Defense provided by specialized employment law firms
- Claims managed by experienced claim specialists

### **What Information Is Needed to Obtain a Quote?**

Most accounts do not require completion of a supplemental application. Risks that do not fit your in house authority can be submitted to HSB for review. Please contact your representative.

### **How are Claims Handled?**

Highly experienced and dedicated Specialty Liability claim specialists adjust the EPL claims.

*\*For CPP Only*



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