

# Employment Practices Liability Insurance for Accounting Firms



## The Risk is Real

Many owners and managers of accounting firms don't really understand what employment practices liability (EPL) is and the broad range of exposures it encompasses. Gender, race and age discrimination. Harassment of all sorts. Wrongful termination. Disability rights. Retaliation. The list goes on.

## The Consequences Can Be Catastrophic

Unfortunately, those who suffer the most are the very ones who can't afford the debilitating financial devastation that can result from even a single employment practices liability lawsuit.

### Consider these 2016 facts. The EEOC:

- Recovered more than \$482 million from employers
- Continues to list retaliation as its most frequently filed charge
- Saw a notable increase in charges related to gender discrimination, disability discrimination and equal pay
- Resolved 97,443 charges
- Will focus more of its efforts on discrimination, harassment, youth at work and ensuring equal pay in 2017

With the average cost of an EEOC lawsuit more than \$100,000, can your client afford to be without Employment Practices Liability Insurance?

Some accounting firms may consider going without EPL coverage to save money. Others mistakenly assume they are covered under their general liability policies, which most often have a standard exclusion for employment practices liability exposures. Going without EPL insurance can be a costly decision. Even if you only have a few employees, you need EPL coverage.

## The Solution is Here

The risk for your accounting firm is real and significant. So is the protection you can have with insurance offered by Monitor Liability Managers. Our Employment Practices Liability Accounting Firm Program helps manage the risks and avoid the burdens of employment-related claims.

## Accounting Firm Program Eligibility

Monitor Liability's EPL insurance is available for a wide variety of accounting firms including those that are organized as general partnerships, professional corporations, limited liability partnerships or limited liability companies. We insure small to midsize firms — those with five or more employees.

## Optional Coverage<sup>1,2</sup>

- 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 (FLSA)
- Waiver of deductible (if ruling of no liability obtained)
- \$25,000 costs of defense for criminal investigations brought by any government agency for alleged hiring or harboring of illegal aliens

<sup>1</sup>This coverage overview is not part of an insurance contract and does not supersede the policy. Please read the policy form for complete terms, conditions and exclusions. Premiums and terms depend on the size and type of organization and other factors.

<sup>2</sup>Subject to underwriter approval.

### Contact Us

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### Submissions

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## Claim Examples<sup>3</sup>

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### Disability Discrimination

An employee brought a disability discrimination suit against his former employer, a large accounting firm. The employee was dismissed from his job when his employer found out that he had multiple sclerosis. The accounting firm tried to justify the dismissal by alleging that the accountant was untruthful on his job application when he failed to reveal his disability. The case went to trial, and the jury found that the accounting firm had violated the Americans with Disabilities Act (ADA) by asking medically related questions on their job application and by dismissing the employee due to his disability. The accountant was awarded a \$50,000 settlement.

### Gender/Age Discrimination

A 61-year-old female accountant filed a gender and age discrimination suit against her former employer, a midsize accounting firm. The accounting firm alleged that she was dismissed based solely on poor performance. It was revealed during mediation that the accountant had since been replaced by a younger, less experienced male accountant. Defense costs totaled \$36,000. The case settled for \$125,000.

### Wrongful Termination

A former administrative assistant sued a small accounting firm. She alleged that she was subjected to racially derogatory comments and discriminatory treatment. She further alleged that she reported these problems verbally and in writing, and the firm failed to take action regarding her complaints. The accounting firm terminated the employee during her probationary period after verifying that she had threatened the life of another employee. The accounting firm's defense costs were more than \$25,000.

<sup>3</sup>Claim scenarios are for informational purposes only, do not constitute legal advice and are not a confirmation or acceptance of coverage under any policy.

## About Monitor Liability Managers

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Monitor is a member company of W. R. Berkley Corporation specializing in executive and professional liability insurance.

We have provided insurance to middle market risks on a nationwide basis since 1992. Experienced leadership, comprehensive insurance knowledge and a well-established reputation for solid underwriting standards allow us to provide coverage unsurpassed in the marketplace.

### A+ Rated Insurance Carriers

Admiral Insurance Company (Nonadmitted)  
Berkley Insurance Company (Admitted)  
Carolina Casualty Insurance Company (Admitted)

- ▶ Rated A+ (Superior) by A.M. Best Company

## MyHRHelp Risk Management Services

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From the day the policy premium is paid, Monitor policyholders receive complimentary access to:

- ▶ Toll-free helpline calls that provide basic workplace issue consultation
- ▶ MyHRHelp™ website with employment resources
- ▶ Free monthly risk management webinars and an archived webinar library
- ▶ Two free California AB 1825 compliant online sexual harassment awareness trainings annually

All services are provided by Gordon Rees Scully Mansukhani LLP, a national law firm with extensive experience in employment law.

## Claim Management

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Monitor's claim management services are the cornerstone of the insurance coverage we offer to our policyholders. We strive to resolve claims promptly and to provide the best possible outcome for our policyholders and their agent or broker.