

Employment Practices Liability Insurance for Architectural and Engineering Firms



The Risk is Real

Many owners and managers of architectural and engineering 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 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 firm is real and significant. So is the protection you can have with insurance offered by Monitor Liability Managers. Our Employment Practices Liability Architectural and Engineering Firm Program helps manage the risks and avoid the burdens of employment-related claims.

Architectural and Engineering Firm Program Eligibility

Monitor Liability's EPL insurance is available for a wide variety of 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^{1,2}

- 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

¹This 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.

²Subject to underwriter approval.

Contact Us

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Submissions

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Claim Examples³

Wrongful Termination

An engineer was terminated after he accumulated multiple unexcused absences and failed to complete his assigned work. His missed deadlines caused the loss of a key client, who later contracted with the firm's competitor. In addition, the firm asserted that his previous work showed a lack of quality. The engineer sued the company claiming they failed to follow the corrective action procedures as described in the company's employee handbook. The firm incurred \$150,000 in legal fees and expenses. The case ultimately settled for \$100,000.

Gender Discrimination

A female architect sued an engineering firm for alleged gender discrimination after she was denied a promotion. She also claimed that her project manager sexually harassed her. The firm refuted the architect's allegations and the project manager denied that the harassment occurred. The firm maintained that she did not receive the promotion due to poor work performance. Even though the case settled quickly, the firm incurred defense costs of \$11,000. The case settled for \$350,000.

Wrongful Termination

The owner of a prominent engineering firm hired a close friend as a marketing manager. Due to the involved friendship, employment terms were discussed verbally and there was only a rough-draft of the written job description. After five years had passed, the marketing manager grew bored with the monotony of his position and began to market his services to competitors. When the owner found out about his actions, he terminated the manager's position. The manager filed a breach of oral contract suit. He claimed that the owner had no right to break the contract based on work he conducted after hours. Defense costs totaled more than \$220,000. The case settled for \$350,000.

Claim Management

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.

³Claim 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

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

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.

Products and services are provided by one or more insurance company subsidiaries of W. R. Berkley Corporation. Not all products and services are available in every jurisdiction, and the precise coverage afforded by any insurer is subject to the actual terms and conditions of the policies as issued. Certain coverages may be provided through surplus lines insurance company subsidiaries of W. R. Berkley Corporation through licensed surplus lines brokers. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. For additional information concerning W.R. Berkley Corporation's insurance subsidiaries, refer to <https://www.wrberkley.com/site-services/legal.aspx>