

It's estimated that three out of five firms will be sued by an employee. . Companies are realizing that they are vulnerable from the pre-hiring process through the exit interview, or even if the employee is only at the company a matter of days. It's even happened when the would-be employee is never hired. Never underestimate how personally an employee can take a situation. It can happen to any firm – no one is exempt. And don't assume that you have protection for these losses with your commercial package policy or your businessowners policy.

Employment practices liability, or EPLI, is a new form of liability insurance that protects employers against claims by employees, former employees, or potential employees who claim that their legal rights as employees of the company have been violated. EPLI covers such employee lawsuits as discrimination (age, sex, race, disability, etc.), wrongful termination, sexual harassment, breach of employment contract, negligent evaluation, failure to employ or promote, wrongful discipline, deprivation of career opportunity, wrongful infliction of emotional distress, and mismanagement of employee benefit plans.

EPLI coverage cost will depend on the type of business you are in, the number of employees, and various risk factors (such as whether your company has been sued over employment practices in the past). The coverage will reimburse your company against the costs of defending a lawsuit in court and for judgments and settlements. The policy covers legal costs, whether your company wins or loses the suit. Policies don't usually pay for punitive damages or

civil or criminal fines. Liabilities covered by other insurance policies such as workers compensation are excluded from EPLI policies.

The litigation from employees is growing rapidly and in some states has reached the point where this type of insurance is becoming more and more difficult for some companies to buy, at any price. Don't be caught unprepared. At Clinard Insurance Group, we believe that any company that has any employees should have this protection in their insurance program. If your agent hasn't offered this protection to you already that should raise a huge red flag about that agent's competency insuring businesses. Call us right now and we can give you a quick price indication in under 3 minutes. If you want to get an exact quote for your business after that, then we will help you through the application process that follows in order to get the exact quote for your company and your needs.