



Building an Affirmative Defense

Business owners today recognize the importance of establishing a respectful workplace. An equitable work environment not only provides positive, tangible (and intangible) benefits for your business, it also helps prevent costly employment claims.

Over the past 30 years, many employees who believed they had been treated improperly in the workplace sought justice through the legal system. Indeed, employers have a legal responsibility to ensure that their employees are dealt with fairly.

Business owners who purchase employment practices liability insurance give themselves a measure of financial protection against costly court settlements, legal fees, and lost productivity.

In 2009, the Equal Employment Opportunity Commission (EEOC) received 93,227 charges alleging discrimination and/or harassment related to employment—up nearly 13% from 2007.¹

Defense costs have been known to reach \$100,000 in these types of claims, even when there is no actual liability on the part of the business. Most general liability policies exclude coverage for employment-related practices, such as:

- ♣ Refusal to hire
- ♣ Termination of employment
- ♣ Employment practices such as coercion, demotion, evaluation, reassignment, dismissal, harassment, humiliation, or discrimination

An employment-related practices liability (ERPL) policy from Federated can fill this coverage gap!

We also provide risk management assistance to ERPL policyholders to help prevent losses **before** they happen. Federated’s relationship with in2vate, llc, offers clients Web-based access to risk management consultation with professionals who provide information and strategies for preventing or managing your workplace risk.

This combination of coverage and cutting-edge risk management resources reaffirms Federated’s reputation as “more than just an insurance company.” Our policyholders can use these customized programs to help build an effective, affirmative defense against ERPL claims.

¹Figures represent the total number of charge receipts filed and resolved under all statutes enforced by the EEOC (Title VII, ADA, ADEA, and EPA). Source: <http://www.eeoc.gov/eeoc/statistics/enforcement/charges.cfm>



It’s Our Business to Protect Yours®
