

Five Important Reasons Why Employment Practices Liability Coverage from CNA Needs To Be a Part of Your Business Insurance program

Competition is tough and companies have to constantly examine expenses including their business insurance protection. Some companies may even consider going without EPL coverage to save some money. However, going without this important insurance protection can cost you more than you think. Here's why:

1. *Studies show, an employer is more likely to have an EPL claim than a GL or Property loss.*

Claims for sexual harassment, wrongful termination, and discrimination (age, sex, race, pay, etc.) continue to be on the rise which means you face the chance of your business being the target of legal action. Almost 75% of all litigation against corporations today involves employment disputes. Every year, between 77,000 and 81,000 charges are filed against employers under statutes enforced by the Equal Employment Opportunity Commission, and the majority of those claims are brought against companies with fewer than 100 employees.*

2. *Your current business liability insurance may not cover employment liability claims*

Business liability policies generally have a standard exclusion (CG 21 47) for employment practices liability exposures. Some business package policies offer limited coverage and reduced limits which may be inadequate to meet the needs of your particular business.

3. *Insurance protects your assets.*

Based on our estimates, the average cost of a claim against a smaller company is around \$50,000 when payment is made to the plaintiff. Keep in mind that even frivolous claims cost you time and money to defend yourself. EPL protects companies and individuals against loss (damages and defense costs) arising out of employment practice disputes. Common claims allege discrimination, sexual harassment, wrongful termination, and wrongful discipline.

4. *Risk management consulting advice provided at no additional cost.*

CNA policyholders can receive the benefit of professional risk management consultation provided through AGOS, a national research and development firm focused on preventing loss and litigation from workplace risk. AGOS provides consulting advice and online training at no additional cost to businesses that purchase Employment Practices Liability Insurance through CNA.

5. *Who will be with you when a claim is brought against your company?*

When a claim is brought against you, CNA will match you with a defense attorney experienced in handling employment practices liability claims. We also have dedicated claims specialists who work hand in hand with your underwriter to manage each loss and provide quality claims service.

The defense of a suit can be expensive in time, money and resources. By obtaining EPL coverage through CNA, you can have the protection that your business needs in the event of a lawsuit.

Speak with your insurance representative to learn more about CNA's protection program for employment practices liability.

*Statistics provided by the U.S. Equal Employment Opportunity Commission (www.eeoc.gov)



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