



Employment Practices Liability Insurance

What is Employment Practices Liability Insurance?

Employment practices liability (EPL) insurance is a policy used to cover your risks due to some of the most common employment-related lawsuits, including:

- **Wrongful termination:** The discharge of an employee for invalid reasons.
- **Discrimination:** The denial of equal treatment to employees who are members of a protected class.
- **Sexual harassment:** Subjecting an employee to unwelcome sexual advances, obscene or offensive remarks, or the failure to stop such behavior.

EPL works to provide the necessary resources to defend your company against a lawsuit or to pay for a claim. To best understand how to cover your EPL risks, it's important to know the potential sources:

- Recruitment practices
- Employment applications
- Employment offers
- Employee orientation process
- Annual conduct reviews
- Enforcing performance policies
- Termination
- Improper documentation of the items listed here)

Employment law is complex and varies depending on the jurisdiction

Well-organized and credible employment documents can demonstrate fair treatment, deter litigation, ensure employee honesty, and, should litigation occur, demonstrate the employee's actions.

Evidence of desirable employment practices and policies may be required for an EPL policy, and will certainly help defend against a suit (even for a small, home-based business with only a few employees). The underwriter may require a copy of the following policies to show that you are taking steps to reduce your risks:

- Sexual harassment
- Equal opportunity
- Grievances

EPLI is More Than An Insurance Policy

Many EPLI policies also include resources and benefits you can access outside of a claim, such as

- sample documents, such as employee handbooks and employment apps
- hotline access to employment law attorneys
- online HR related resources

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