

Claim Scenarios

Why You Need Protection Employment Practice Liability Insurance

Even an organization with good human resources policies and procedures in place can be sued, and the cost of defending a claim can be enormous. It is not uncommon for legal fees associated with winning an employment lawsuit can exceed \$250,000. When you've spent that much on legal fees, it's hard to feel like you've won.

The following are few claim scenarios of employee litigation:

National Origin Discrimination

An employee sued a company for national origin discrimination in violation of Title VII, which prohibits employment discrimination based on race, color, religion, sex, and national origin. The employee alleged that he was wrongfully terminated when he complained to his supervisor that co-workers had made disparaging remarks relating to his ethnic background. The employee was awarded \$250,000 in damages.

Discrimination and Retaliation

A plaintiff alleged that the insured discriminated against him on the basis of age and disability. The plaintiff further alleged that he was terminated in retaliation for filing a workers compensation claim and for complaining about discrimination. The defendant contended that the plaintiff was not able to perform the essential functions of the job and that he was discharged for legitimate, non-discriminatory and non-retaliatory reasons. The plaintiff won the case and received a settlement of \$317,500.

Third Party Sexual Harassment

Two employees of the company made inappropriate comments about the physical appearance of a female freelance contractor working on the premises. The contractor filed a claim against the company for third party sexual harassment, the suit was settled for \$100,000.



Insurance

For more information, please call the Plan Administration Office toll-free at 1.800.622.0344

Pearl Insurance

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