

## **EMPLOYMENT PRACTICES LIABILITY POLICY FREQUENTLY ASKED QUESTIONS**

*The Policy is your insurance contract with the insurance carrier. To ensure you receive the full benefits of the insurance contract you have purchased, you should read the Policy carefully. What follows is intended to be advisory in nature only. If you have any questions about any of the Policy's terms, conditions, provisions and/or exclusions, or if you have any questions about how the Policy operates, please contact your broker immediately.*

### **Q. WHO DO WE CALL IF WE HAVE A PROBLEM OR NEED SERVICE?**

- A. If your problem has anything to do with a Claim, a potential Claim, or a difficult situation that has arisen in your workplace that you want to discuss with an attorney, **call the legal helpline at 1-877-376-4100.** The attorneys there will either help you directly or put you in touch with the appropriate people to help you handle your problem. They can even help you report a Claim to the insurance carrier. If you are interested in any of the loss control services, including criminal background checks or online manager training, please call the EPRMA Association at 1-877-288-9838 Pin #0946. If you have questions about your insurance policy please call your broker.

### **Q. WHAT IS A CLAIM?**

- A. A "Claim" can be many things and is more than just a lawsuit. A "Claim" can be:
- a) the filing of a civil lawsuit or arbitration proceeding;
  - b) the filing of a criminal lawsuit or the institution of criminal proceedings;
  - c) an EEOC or DFEH proceeding or other similar federal, state or local administrative proceeding;
  - d) a written demand for monetary damages or non-monetary relief; or
  - e) a written notice that a non-employee, such as a customer, intends to hold you responsible for Third Party Discrimination or Third Party Harassment;

If you are unsure as to whether a matter is a Claim, you may call the legal helpline at **1-877-376-4100.**

### **Q. WHAT SHOULD WE DO IF WE RECEIVE A CLAIM?**

- A. In the event you receive a Claim, you must immediately notify the insurance carrier. We suggest you use the Claim form that is included in this email or you can download the form by [clicking this hyperlink](#) or you can request a form from your broker. Send Claim correspondence to:

RSUI Group, Inc.  
Attn: Claims Department  
945 East Pace Ferry Rd.  
Suite 1800  
Atlanta, GA 30326-1160  
[reportclaims@rsui.com](mailto:reportclaims@rsui.com)  
(404) 231-3755 (fax)

If you need help reporting a Claim, call:  
(914) 449 -1150

**Q. ARE WE ALSO REQUIRED TO NOTIFY THE INSURANCE CARRIER ABOUT INCIDENTS AND/OR POTENTIAL CLAIMS?**

- A. Perhaps your employee has made only a verbal complaint and is threatening to file a lawsuit. Or perhaps someone in your company tells you they have witnessed discrimination and/or harassment. While these are not technically "Claims," the insurance carrier may consider them notice of potential Claims. You do not have to give the insurance carrier notice of these potential Claims, although it is usually prudent to do so. Any Claims arising from potential Claims will be deemed first made on the date notice is given. Notices of potential Claims are given to the insurance carrier in the same way notices of Claims are provided. If in doubt, call the legal helpline at **1-877-376-4100**.

**Q. CAN WE APPOINT DEFENSE COUNSEL OURSELVES IF WE RECEIVE NOTICE OF A CLAIM?**

- A. No. Please do not appoint defense counsel yourselves. Pursuant to the terms of the Policy, the insurance carrier has the right to appoint counsel of its choosing. Under no circumstances should you assign the Claim to counsel. Report the claim to the insurance carrier and counsel will be appointed on your behalf. Any defense expenses or settlements made without prior written consent of the insurance carrier will not be covered and will not be credited against your Retention.

**Q. CAN WE SETTLE CASES WITHOUT OBTAINING THE INSURANCE CARRIER'S CONSENT?**

- A. No. The insurance carrier will not pay any settlement amounts in connection with settlements to which they have not provided written consent.

**Q. HOW CAN OUR RETENTION BE REDUCED WHEN WE HAVE CLAIMS FOR WRONGFUL TERMINATION?**

- A. The insurance carrier agrees to reduce your Retention for Claims of wrongful termination by 50% if you obtain and adopt the written advice of the insurance carrier's recommended or approved labor and employment law firm prior to the termination of an employee. If, after you adopt the advice, you still receive a wrongful termination Claim arising from that employee's termination, the Retention that applies to that Claim will be reduced by 50%. Please call the legal helpline **(877) 376-4100** to get pre-termination advice.

**Q. WHAT SHOULD WE DO IF WE ARE PLANNING TO HAVE A REDUCTION IN FORCE?**

- A. A reduction in force is obviously a very stressful time for your company and an event that may affect EPL insurers as well. The insurance carrier will provide coverage for the usual types of Claims that arise in connection with and/or are associated with a reduction in force *but* the insurance carrier asks that you exercise caution before laying off any employee by consulting with a lawyer who specializes in labor and employment law. Please call the legal helpline **(877) 376-4100**.

**Other Responsibilities**

**Q. WHAT SHOULD WE DO IF OUR COMPANY MERGES WITH OR ACQUIRES ANOTHER COMPANY?**

- A. There is a “Changes in Exposure” clause in your Policy that addresses these situations. You have automatic “free” coverage for newly acquired companies during the policy period if the number of employees you acquire does not exceed 50% of the total employee number at the beginning of the policy period (as noted on the application or renewal application). Should the employee count exceed 50%, you will need to inform the insurance carrier via your broker and your premium may be adjusted accordingly. Your broker is the appropriate professional to explain the terms and conditions and advise you on your options and best choices.

**Q. WHAT SHOULD WE DO IF WE NEED TO CANCEL THE POLICY OR INVOKE THE EXTENDED REPORTING PERIOD?**

- A. Please contact your broker. Generally, it is recommended that you continue the Policy for the full term. While the Policy is non-cancelable by the insurance carrier except for non-payment of premium, you may cancel the Policy at any time by giving the insurance carrier written notice via your broker. In the event of non-renewal or cancellation, you have the right to purchase an Extended Reporting Period upon payment of additional premium as outlined in your Policy. Your broker is the appropriate professional to advise you on your options and best choices.

***The above noted tips do not change or replace your Policy in any way and you should read your entire Policy, not just these tips. If you have any questions or concerns with regard to your Policy please contact your broker immediately.***