

# Employment practices liability coverage

## Why is employment practices liability (EPL) coverage needed?

- Workplace discrimination charges soared 32 percent in the past five years to record levels (2010 U.S. Equal Employment Opportunity Commission statistics).
- Discrimination charges have increased dramatically in every category, including race retaliation, gender and age bias.
- Yet, small businesses have been largely underserved by the EPL insurance market.
- Employment laws put the burden on employers to respond to allegations — even when the charges may be found to be false or groundless.
- The exposure is not limited to employees. Customers and vendors can also claim harassment and discrimination.
- On average, it costs more than \$10,000 to defend an EPL claim — even if the claim is determined to be without merit.

## Employment legislation continues to evolve, significantly affecting employer/employee relationships. Some recent developments:

- Broadening of the Americans with Disabilities Act.
- A new law that extends the statute of limitations for workers to sue for pay discrimination.

### Additional changes are on the horizon:

- The broadening of Title VII of the Civil Rights Act of 1964 to include sexual orientation as a protected class.
- Possible changes to the Family and Medical Leave Act of 1993, which would apply to employers with 25 or more employees (down from 50).

## Why Markel's EPL coverage solution?

- We offer broad coverage — including optional coverage for claims brought by customers and vendors.
- Markel's coverage is affordable, with meaningful limits. Claims are administered by HSB's highly experienced EPL claim adjusters.
- Markel provides access to leading EPL panel counsel law firms.
- We offer an EPL loss prevention website.

This is a summary of the coverage. Please refer to the Coverage Terms and Conditions for actual coverage and claims filing details.

[markelinsurance.com](http://markelinsurance.com)





- Deerfield Insurance Company
- Evanston Insurance Company
- Essex Insurance Company
- Markel American Insurance Company
- Markel Insurance Company
- Associated International Insurance Company

Agent Name  
 Agent Street  
 Agent City, State, Zip

## EMPLOYMENT PRACTICES LIABILITY INSURANCE APPLICATION

(To be attached to ACORD or Program applications.)

**NOTICE: THE EMPLOYMENT PRACTICES LIABILITY COVERAGE ENDORSEMENT PROVIDES CLAIMS MADE COVERAGE, WHICH APPLIES ONLY TO CLAIMS FIRST MADE AND REPORTED DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY TO PAY JUDGEMENTS OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY AMOUNTS INCURRED FOR DEFENSE COSTS. AMOUNTS INCURRED FOR DEFENSE COSTS WILL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT. IN NO EVENT WILL THE COMPANY BE LIABLE FOR DEFENSE COSTS OR THE AMOUNT OF ANY JUDGEMENT OR SETTLEMENT IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY.**

**PLEASE READ THE ENTIRE EMPLOYMENT PRACTICES LIABILITY COVERAGE ENDORSEMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.**

NAME OF APPLICANT: \_\_\_\_\_

Address: \_\_\_\_\_

### GENERAL INFORMATION

[Note: Coverage is not available in Hawaii, or Louisiana.]

- Number of full-time employees and recognized volunteers: \_\_\_\_\_ (Employees/recognized volunteers other than full-time are to be counted as one-half an employee/recognized volunteer.)
- Check the following boxes to identify your desired Limit of Insurance and Deductible:

Aggregate Limit of Liability	Vermont - Aggregate Limit of Liability Defense/Indemnity	Per Claim Deductible
<input type="checkbox"/> \$25,000 N/A Arkansas, Montana, New Mexico	<input type="checkbox"/> \$25,000/\$25,000	<input type="checkbox"/> \$2,500 <input type="checkbox"/> \$5,000
<input type="checkbox"/> \$50,000 N/A Arkansas, Montana, New Mexico	<input type="checkbox"/> \$37,500/\$37,500	<input type="checkbox"/> \$2,500 <input type="checkbox"/> \$5,000
<input type="checkbox"/> \$75,000 N/A Arkansas, Montana, New Mexico	<input type="checkbox"/> \$50,000/\$50,000	<input type="checkbox"/> \$2,500 <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$10,000 VT only
<input type="checkbox"/> \$100,000 This is the minimum limit requirement in Minnesota, New Hampshire, New York, and North Dakota. N/A Arkansas, Montana, New Mexico	<input type="checkbox"/> \$125,000/\$125,000	<input type="checkbox"/> \$2,500 <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$25,000 VT only
<input type="checkbox"/> \$250,000 This is the maximum limit available for Businessowners Coverage risks. N/A Arkansas, Montana, New Mexico	<input type="checkbox"/> \$250,000/\$250,000	<input type="checkbox"/> \$2,500 <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$25,000
<input type="checkbox"/> \$500,000 This is the minimum limit requirement in Arkansas and New Mexico.	<input type="checkbox"/> \$500,000/\$500,000	<input type="checkbox"/> \$2,500 <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$25,000
<input type="checkbox"/> \$1,000,000 This is the minimum limit requirement in Montana.	Not applicable in VT	<input type="checkbox"/> \$2,500 <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$25,000

3. Desired effective date: \_\_\_\_\_ Employment Practices Liability Retroactive Date: \_\_\_\_\_

4. Have there been any Employment Practices Liability claims, suits or complaints and/or is there any now pending against the insured or any executive, officer or owner?  Yes  No

If yes, please provide details: \_\_\_\_\_

5. Does the insured and any executive, officer or owner have any knowledge or information of any act, error or omission which might give rise to an Employment Practices Liability claim, suit or complaint?  Yes  No

If yes, please provide details: \_\_\_\_\_

**Answer the following questions if you are requesting a Limit of Liability of \$250,000 or greater. (Not applicable to Businessowners Coverage risks.)**

6. Has the insured been in continuous business with no bankruptcy filing for three (3) years or more?  Yes  No

7. Are all job applicants required to complete and sign an employment application?  Yes  No

8. Does the insured utilize an employment handbook, website or written employment materials (such as anti-harassment or anti-discrimination policies) to advise employees of their rights to work free of harassment and discrimination in the workplace?  Yes  No

9. In the past 12 months and the coming 12 months combined, has there been or does the insured expect any layoffs or reductions in work force totaling more than 15% of the total employee count?  Yes  No

**Fair Credit Report Act Notice:** PERSONAL INFORMATION ABOUT YOU, INCLUDING INFORMATION FROM A CREDIT OR OTHER INVESTIGATIVE REPORT, MAY BE COLLECTED FROM PERSONS OTHER THAN YOU IN CONNECTION WITH THIS APPLICATION FOR INSURANCE AND SUBSEQUENT AMENDMENTS AND RENEWALS. SUCH INFORMATION AS WELL AS OTHER PERSONAL AND PRIVILEGED INFORMATION COLLECTED BY US OR OUR AGENTS MAY IN CERTAIN CIRCUMSTANCES BE DISCLOSED TO THIRD PARTIES WITHOUT YOUR AUTHORIZATION. CREDIT SCORING INFORMATION MAY BE USED TO HELP DETERMINE EITHER YOUR ELIGIBILITY FOR INSURANCE OR THE PREMIUM YOU WILL BE CHARGED. WE MAY USE A THIRD PARTY IN CONNECTION WITH THE DEVELOPMENT OF YOUR SCORE. YOU HAVE THE RIGHT TO REVIEW YOUR PERSONAL INFORMATION IN OUR FILES AND CAN REQUEST CORRECTION OF ANY INACCURACIES. A MORE DETAILED DESCRIPTION OF YOUR RIGHTS AND OUR PRACTICES REGARDING SUCH INFORMATION IS AVAILABLE UPON REQUEST. CONTACT YOUR AGENT OR BROKER FOR INSTRUCTIONS ON HOW TO SUBMIT A REQUEST TO US.

**Fraud Warning:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND CIVIL PENALTIES. (NOT APPLICABLE IN AR, CO, DC, FL, HI, KY, MA, MD, NJ, NM, NY, OH, OK, OR, PA, TN, VA, VT, WA OR WV)

**Warranty Statement**

The undersigned authorized officer of the Applicant declares that the statements set forth herein are true. The undersigned authorized officer agrees that if the information supplied on this application changes between the date of this Application and the effective date of the insurance, he/she (undersigned) will, in order for the information to be accurate on the effective date of the insurance, immediately notify the insurer of such changes, and the insurer may withdraw or modify any outstanding quotations and/or authorizations or agreements to bind the insurance.

Signing of this application does not bind the applicant or the insurer to complete the insurance, but it is agreed that this application shall be the basis of the contract should an Employment Practices Liability Coverage Endorsement be issued, and the application is deemed to be attached to and shall become a part of the policy.

Applicant's signature: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

Producer's signature: \_\_\_\_\_ Date: \_\_\_\_\_

**STATE FRAUD STATEMENTS**

**THIS NOTICE IS PART OF YOUR APPLICATION:**

**APPLICABLE IN ARKANSAS AND WEST VIRGINIA**

ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**APPLICABLE IN COLORADO**

**MAIL 018 01 14**

IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER OR CLAIMING WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FOR INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

**APPLICABLE IN THE DISTRICT OF COLUMBIA**

WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

**APPLICABLE IN FLORIDA**

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURANCE COMPANY FILES A STATEMENT OF CLAIM CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

**APPLICABLE IN HAWAII**

FOR YOUR PROTECTION, HAWAII LAW REQUIRES YOU TO BE INFORMED THAT PRESENTING A FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT IS A CRIME PUNISHABLE BY FINES OR IMPRISONMENT, OR BOTH.

**APPLICABLE IN KENTUCKY**

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT ACT, WHICH IS A CRIME.

**APPLICABLE IN MAINE**

IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, OR DENIAL OF INSURANCE BENEFITS.

**APPLICABLE IN MARYLAND**

ANY PERSON WHO KNOWINGLY AND WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY AND WILLFULLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**APPLICABLE IN NEW JERSEY**

ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

**APPLICABLE IN NEW MEXICO**

ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GULTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

**APPLICABLE IN NEW YORK**

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE SATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

**APPLICABLE IN OHIO**

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE/SHE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

**APPLICABLE IN OKLAHOMA**

WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

**APPLICABLE IN OREGON**

ANY PERSON WHO, WITH INTENET TO DEFRAUD OR KNOWING THAT HE OR SHE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

**APPLICABLE IN PENNSYLVANIA**

ANY PERSON WHO KNOWINGLY AND WITH INTENET TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

**APPLICABLE IN TENNESSEEE, VIRGINIA AND WASHINGTON**

IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

**APPLICABLE IN VERMONT**

ANY PERSON WHO KNOWINGLY PRESENTS A FALSE STATEMENT IN AN APPLICATION FOR INSURANCE MAY BE GUILTY OF A CRIMINAL OFFENSE AND SUBJECT TO PENALTIES UNDER STATE LAW.