

Frequently Asked Questions for Agents and Brokers

Chubb Masterpiece® Employment Practices Liability Coverage



Understanding this coverage

What is Masterpiece Employment Practices Liability (EPL) coverage?

EPL coverage provides additional protection for clients who employ staff in their homes—like nannies, housekeepers, or gardeners. Chubb helps cover costs associated with accusations of wrongful termination, sexual harassment, and employment discrimination. There are two main ways that Chubb provides protection through EPL:

- Coverage for associated legal and defense costs (referred to as “Named Peril” coverage).
- Coverage for costs associated with hiring PR, security consulting or media management firms to help with reputation management concerns (referred to as “Reputational Injury” coverage).

Why might existing and prospective Chubb clients be interested in this coverage?

This coverage addresses client concerns about increasing allegations of wrongful employment acts, as well as concerns about handling media inquiries and public perceptions around potential allegations.

Which clients are eligible for EPL coverage?

EPL coverage is available for clients who meet the following requirements:

- A minimum of \$1 million personal or excess liability coverage with Chubb
- A maximum of 12 employees or residential staff across all residential locations

What does EPL coverage cost and what limits are available?

There are currently two options for EPL coverage:

Option A	Option B
Named peril	
\$250,000 per occurrence	\$500,000 per occurrence
\$500,000 annual aggregate	\$500,000 annual aggregate
\$10,000 deductible per occurrence	\$10,000 deductible per occurrence
Reputational injury (Additional coverage, no deductible applies)	
\$25,000 per occurrence/annual aggregate	\$50,000 per occurrence/annual aggregate

How is “occurrence” defined in the above coverage options?

An EPL occurrence must begin within the policy period. Continuous or repeated exposure to the same general conditions (unless excluded) is considered one occurrence.

Is EPL coverage available in all states?

EPL coverage is available in most states, except in Alaska, Hawaii, North Dakota, South Dakota, and Wyoming.

Selling this coverage

What are the advantages of Chubb's EPL coverage?

EPL coverage is optional and versatile:

- It can be added to either a Chubb excess or personal liability policy.
- Clients can choose from two different limit options—and both options offer higher limits than clients may be able to obtain elsewhere.

How is an EPL policy issued?

In most states, clients have the option to add this coverage as an endorsement to a Masterpiece Personal or Excess Liability policy, subject to underwriting. Masterpiece EPL responds on a first dollar basis, regardless of which type of liability policy it is issued with. Commissions depend on whether the coverage is added to personal or excess liability.

Do agents and brokers have binding authority?

Agents and brokers do not have binding authority for this coverage. All requests for EPL coverage must be pre-approved. If you are an agent or broker that needs help with securing pre-approval, please contact your personal lines underwriter for support.

How does the contract work if a client no longer meets eligibility requirements during the policy period or at renewal?

Sometimes clients may hire more employees. If that's the case, and a client hires more than 12 residential staff during the policy period, through the remainder of the policy period, the coverage will only apply to occurrences involving the 12 staff members with the longest period of continuous employment at the time of the employment practices liability occurrence.

If on the effective date of the policy period the number of residential staff exceeds 12, eligibility will cease as of that date. If coverage has been provided, it will be canceled or non-renewed at the earliest possible date allowed by law.

As an agent or broker, who is my key contact for EPL coverage?

Your personal lines underwriter is your primary point of support.

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