

Employers EdgeSM: Employment Practices Liability Insurance (EPLI) for Law Firms

CHUBB



An EPLI Policy Endorsed

Claims involving employment issues comprise a significant amount of today's civil litigation. No organization is immune from employment practices liability litigation, least of all law firms.

For example, a minority associate, who was laterally hired by a firm with multiple locations, was assured there would be ample work and opportunity for him in his specialty at this new firm. Two years later, the chief rainmaker left the firm, taking his clients with him and, as a result, the firm downsized considerably. After the firm offered the associate a transfer to another office location and the associate declined this offer, he and the firm ended their employment relationship. Soon after, the associate filed suit alleging he was constructively discharged, discriminated against in salary and assignments, and that he was not considered for partnership, all due to race discrimination.

The suit went to trial and the jury found in favor of the plaintiff on all counts. Although the associate had been employed with the firm for less than two years, the jury awarded him \$1 million in compensatory damages and \$1.5 million in punitive damages. After the case was reversed and remanded, it was settled for an undisclosed amount prior to a second trial.

In response to these concerns, Chubb presents *Employers EdgeSM: EPLI for Law Firms*. Developed in partnership with Employers Edge Insurance Plans Consultants, Inc., Employers Edge offers comprehensive employment practices liability protection to law firms. We designed Employers Edge to meet the special needs of the law firm community through broad coverage features, superior claims-handling, and valuable risk management services.

Coverage Features

- Punitive damages coverage (where insurable by law).
- Third party coverage for claims for harassment or discrimination brought by clients or other third parties.
- Coverage for claims by partners and for claims for failure to make partner.
- Independent contractor, leased employee, and volunteer coverage.
- Expanded coverage of defense costs, including defense cost coverage for breach of written employment contract claims.
- Settlement discretion to the insured for amounts up to 50% of the applicable retention without the prior consent of the insurer.
- Prompt advancement of defense costs and, for qualified firms, the right to choose counsel.
- Optional incident reporting of potential claims.
- No “intentional acts” exclusion or “other insurance” clause.
- Broad extended reporting period options.
- Worldwide coverage.
- Non-cancelable by the insurer (except for non-payment of premium).
- \$25 million in limits available.

Risk management services include:

- Access to a toll-free hotline staffed by employment attorneys; access to ChubbWorksSM.
- A comprehensive Web-based news and training resource.
- An educational newsletter on employment practices topics.
- An employment practices audit.
- A loss prevention manual with guidelines, policies, and procedures for following employment-related laws and regulations and minimizing the risk of violations.

For more information about Employers Edge, as well as Chubb’s standard EPLI policy for professional firms, please contact your insurance agent or broker. For additional information, visit www.chubb.com/us/epl.

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