



EMPLOYRITE Employment Practices Liability

Picture yourself in the following situation: a long-standing employee of yours, one of the company's best workers, has recently started missing days, arriving late to work, and leaving the office early. Fellow workers are complaining that they have to carry more of the workload. Rumours are circulating amongst the office staff that he has a drinking problem. However, it has also been suggested that his wife has left him and he has had to look after a very ill child. He recently got into a shouting match with his supervisor. What do you do?

- Fire the employee?
- Confront the employee and ask if the rumours are true?
- Suggest the employee seek professional help?
- Do nothing and hope the issue resolves itself?

Make the wrong decision and it could cost thousands of dollars.

A growing area of concern for small businesses in Canada is Employment Practices Liability. From 1997 there have been over 300 cases, many of them with settlements over \$50,000. EPL legal experts tell us less than 5% of cases end up in court or in front of a tribunal. For each case that results in a decision by a court or an administrative tribunal, there are many more cases that are settled with significant payments by employers. In some cases, senior management is facing personal liability for these exposures even if their company is insolvent.

Claims can arise from a variety of exposures including discrimination (sex, sexual orientation, age, race, marital status, illness, physical appearance, religious beliefs, etc.), harassment, assault, demotion, defamation, loss of reputation, unfair dismissal and infliction of emotional distress at work. Employers face potential awards granted by both administrative tribunals and by courts of law.

Traditionally, EPL coverage has been hard to find unless offered on a Directors and Officers policy and usually with a substantial deductible. Recognizing the needs of these companies, we are pleased to announce that we have developed **EMPLOYRITE** – an Employment Practices Liability package specifically designed for small businesses (up to 500 employees) that do not have D&O insurance.

EMPLOYRITE is ideal for companies involved in Information Technology services, accounting firms, nursing homes, auto dealerships, contractors, restaurants, law firms, manufacturing companies, consulting services, engineering services, and healthcare services such as clinics and medical laboratories. **EMPLOYRITE** is also ideal for those operating in a variety of service and distribution industries.

Not only will you receive broad coverage, there are also added benefits of being insured under our **EMPLOYRITE** program. At competitive premiums equivalent to a few hours of an employment lawyer's time, you will have access to a **toll-free hotline** for human resources, personnel and claims related questions. Rather than guess at the right course of action, you can pick up the phone and get immediate professional advice on the best course of action to follow. Early intervention coupled with claims handling expertise are time and money saving devices. You can call our team of legal professionals even if you only have a suspicion that a future claim may be lurking based on lunchroom banter.

You will also be entitled to receive a **Human Resources Handbook** template that will help you fulfill your human resources responsibility effectively. This handbook addresses issues such as:

- The employment relationship policy
- Equal opportunity policy
- Policy prohibiting sexual harassment
- Family and medical leave policy (with summaries of Federal and Provincial rights)
- Benefits policy
- Standard of conduct
- Conflicts of interest
- Electronic communication policy
- Other important HR concerns



This Human Resources Handbook template will save you hours of work. Rather than build an employee handbook from scratch, you can simply tailor the template to suit your own needs.

These benefits, in addition to the coverage offered, make **EmPloyrite** an attractive and easily affordable insurance solution for small companies like yours.

EMpLOYRITE COVERAGE HIGHLIGHTS:

- Limits of \$100,000 up to \$5,000,000 available
- Coverage for Canadian and U.S. employees
- Coverage for claims based on discrimination, harassment and unfair dismissal
- Coverage for claims made by employees, former employees or applicants for employment
- Coverage for claims based on increased severance payments for unfair dismissal due to an EPL violation
- Full limit for Punitive Damages and Exemplary Damages
- **Third Party Coverage** available - for claims made by customers, vendors and other relevant parties
- Extension of Coverage available for **Fines, Penalties, Punitive and Exemplary Damages**
- Access to a **toll-free hotline** manned by a renowned Canadian Law Firm for human resources, personnel and claims related questions
- Be entitled to receive a **Human Resources Handbook** template

Please refer to the policy wording for exact terms and conditions. If you have further questions about *EmPloyrite* Employment Practices Liability, please contact your broker at **Mumby Insurance Brokers Inc.:**

MUMBY

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