



Employment Practices Liability Insurance (EPLI)

Purpose of Employment Practices Liability Insurance (EPLI)

EPLI coverage provides employers with a critical risk management tool to help limit potential legal liability and defense costs for complaints of discrimination and similar employment-related claims.

Specifics

- Insurer: Lloyd's of London
- Limits of Liability: \$1,000,000 per wrongful employment practice claim by a Client Company; \$5,000,000 aggregate limit per policy period.
- Self-Insured Retention (Deductible): \$25,000 per claim. Client Company is responsible for payment of the deductible. (Deductible includes reasonable and necessary defense costs.)
- Claims Made Policy: In order to be eligible for coverage, the claim for a wrongful employment practice act must be made against an insured *and* reported to Lexington in writing during the policy period.
- Wrongful Employment Practice Acts covered by the policy: Allegations of discrimination by an insured made by an employee or former employee, or an applicant for employment with an insured; allegations of sexual harassment by an insured made by an employee or former employee; allegations of wrongful termination by an insured made by a former employee.
- Some Exclusions from Coverage Include: Fair Labor Standards Act (FLSA) (including but not limited to overtime compensation or minimum wage), Employee Retirement Income Security Act of 1974 (ERISA), Workers' Compensation injuries and unemployment compensation claims.
- Approval of Defense Counsel: Lloyd's of London retains the right to pre-approve or select defense counsel
- Other Insurance: If a Client has its own separate EPLI policy, that policy shall be primary.
- Certificates of EPLI coverage are available upon request.

Important Note: The content contained herein is an overview of EPLI at SCI. Please refer to the [EPLI Basic Data summary](#) for additional information. Both documents are to be used for summary informational purposes only and shall not be deemed to replace the terms of the actual policy of insurance. In all instances, the terms of the policy shall control and must be consulted for all terms and conditions of coverage.

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