Employment Practices Liability Insurance – U817

- **Legal Advice Helpline for Policyholders:**
  - 1-877-529-4375 (1-877-LAW-4EPL)

- **Description of Coverage:**
  - See Coverage Form for exact description, limitations
  - This **claims-made** Coverage provides coverage for Employment Practices Liability Insurance (EPLI) caused by a “wrongful employment act”
    - “Wrongful Employment Act” means any actual or alleged;
    - Discrimination (including but not limited to discrimination based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy or disability);
    - Employment-related libel, slander, humiliation, mental anguish, infliction of emotional distress, defamation, or invasion of privacy;
    - Employment-related misrepresentation(s) to “your” “employee” or applicant for employment with “you”;
    - Failure to provide or enforce adequate or consistent corporate policies and procedures relating to any “wrongful employment act”;  
    - Harassment or coercion (including sexual harassment, whether quid pro quo, hostile work environment or otherwise);
    - Negligent supervision or hiring by an “insured”, relating to any of the above;
    - “Retaliation” (including lockouts);
    - “Third Party Violations” are provided but must be indicated as “Included” on EPLI Coverage Supplemental Declarations – U818;
    - Violation of an individual’s civil rights relating to any of the above; or
    - Wrongful deprivation of career opportunity, wrongful demotion or negligent “employee”;
    - Wrongful discipline;
    - Wrongful dismissal, discharge or termination (either actual or constructive), including breach of an implied contract;
    - Wrongful evaluation, including the giving of negative or defamatory statements in connection with an “employee” reference;
    - Wrongful failure to employ or promote;
  - See the EPLI Coverage Form for a more detailed definition of “wrongful act”
  - **Defense Costs** are included within the limit of liability
• **Supplemental Extended Reporting Period (i.e. SERP)**
  - In the event of cancellation or nonrenewal, the Named Insured has the right, upon payment of an additional premium to buy the Extended Reporting Period Elected Endorsement - U819 which provides an extended reporting period following the effective date of cancellation or nonrenewal, to report claims which occurred on or after the retroactive date and on or before the date of cancellation or nonrenewal
    - Only one SERP is available per policy
    - Extension period is for a single 12 month extension
    - Premium charge is to equal 100% of the expiring policy’s EPLI premium

• **Third Party Coverage:**
  - This coverage is included within the EPLI Endorsement coverage form, and is included in the basic premium charge
  - EPLI Coverage Supplemental Declarations – U818 must indicate “Included” in the Premium Line next to “Third Party Violations Premium”
  - This coverage responds to allegations brought by customers, clients or vendors

• **Eligible:**
  - Classifications: All classifications on the policy must be acceptable for coverage, see prohibit list below
  - If a prohibited classification for EPLI coverage is endorsed on the policy midterm you must contact the Company so Hartford Steam Boiler can complete certain paperwork. While we can retain the EPLI coverage option until policy expiration we will not be able to renew it if that exposure will still be on the policy at renewal.
  - Employees: Insured must not have more than 50 employees
  - Locations: Insured must have no more than 5 locations
  - States: All states where there are exposures must be acceptable for coverage, see prohibit list below

• **Prohibit:**
  - Employees: 51 or more employees
  - Class Codes:
    - Golf Courses (11138, 44069, 44070, 44071)
    - Legal Services, attorney / law offices (66122, 66123)
    - Libraries (66309)
    - Schools (47468, 47471, 47473, 47474, 47475, 47476, 47477, 47478, 67508, 67509, 67510, 67511, 67512, 67513)
    - Temporary Employment (43200)
EMPLOYMENT PRACTICES LIABILITY INSURANCE
UNDERWRITING REQUIREMENTS

- Stand alone coverage not available, must be written in conjunction with other coverage under a CGL coverage part
- States:
  - Not available in AR, LA, MT, NM, NY, and VT

- Submit:
  - Submits for exceptions to underwriting criteria, limits, deductibles or pricing are not available

- Aggregate Limits, Deductibles, Pricing and Midterm Changes:

<table>
<thead>
<tr>
<th>Annual Aggregate Limit</th>
<th>Per Claim Deductible</th>
<th>Premium per Policy</th>
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<tr>
<td>$25,000</td>
<td>$2,500</td>
<td>$323</td>
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<tr>
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  For risks located in California:
  - $25,000
  - $50,000

- Premium Determination:
  - Calculated on a per policy basis for all Insureds
  - Premiums are flat and are not to be modified in any way
  - Application of pro-rata factors not allowed

- Midterm Additions or Increases/Decreases:
  - No midterm additions, increases or decreases of coverage are permitted. EPLI may not be added midterm.

- Employment Practices Liability Insurance Coverage – Form Completion:
  - Commercial EPLI Coverage Supplemental Declarations – U818
    - “Policy Number”, “Account Number”, “Named Insured” and “Agent #” must all be entered at the top of the form
    - “EPLI Coverage Period”
      - Dates entered are to be the same as the CGL coverage period. EPLI is not allowed to be endorsed midterm. If added to the policy at inception no midterm additions, increases or decreases in coverage are permitted
    - “EPLI Aggregate Limit of Liability”
      - $25,000 or $50,000 are the only available options, you must indicate one on U818
EMployment Practices Liability Insurance
Underwriting Requirements

- “EPLI Deductible Amount”
  - $2,500 or $5,000 are the only available options, you must indicate one on U818
- “EPLI Retroactive Date”
  - The effective date of the CGL coverage part is the date to be entered here since EPLI may not be added midterm to a CGL coverage part
  - If the policy is renewed with Colony Specialty Contract the retroactive date remains unchanged on all renewal policies. If there is any break in coverage the retroactive date cannot be carried forward. The retroactive date becomes the effective date of that policy issued once there was a break in the coverage period.
- “EPLI Coverage Premium”
  - Indicate the premium that applies based on the coverage limit and deductibles
- “Third Party Violations Premium (Optional)”
  - Indicate “Included” in the premium line. Our coverage grant automatically includes Third Party Violations coverage at no additional premium charge.

- Employment Practices Liability Insurance Coverage – Form Attachment Rules:
  - Attach:
    - EPLI Supplemental Declarations – U818
    - EPLI Coverage Endorsement – U817
      - Country-wide use is attached to the General Liability Coverage Part
    - State Amendatory Endorsements are attached whenever there are exposures in any of the following states:

<table>
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<th>State</th>
<th>Form Number</th>
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<th>Form Number</th>
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<td>U842</td>
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EMPLOYMENT PRACTICES LIABILITY INSURANCE
UNDERWRITING REQUIREMENTS

- When requested at termination of coverage, attach:
  - Supplemental Extended Reporting Period (SERP) Endorsement – U819
    - Premium charge equals 100% of the expiring policy’s EPLI premium for a 1 year SERP

- Mandatory Defense within Limits Notices
  - Apply if the following states are on the policy
  - If you have more than one of the following states, you must attach the appropriate notice for each of those states:
    - Alaska: Alaska Rule of Civil Procedure 82 Notice B (AK) – U821
    - Missouri: Acknowledgement of Defense Costs (MO) – U822
    - Rhode Island: Acknowledgement of Defense Costs (RI) – U823
    - Wyoming: Acknowledgement of Defense Costs (WY) – U824

- Mandatory Disclosure Form:
  - Colorado: Disclosure Form – Claims-Made Policy Important Notice to Policyholder – U820
EMPLOYMENT PRACTICES LIABILITY INSURANCE
UNDERWRITING REQUIREMENTS

EPLI FORMS

U817 (05-13) EMPLOYMENT PRACTICES LIABILITY INSURANCE COVERAGE FORM
U818 (05-13) COMMERCIAL EMPLOYMENT PRACTICES LIABILITY INSURANCE COVERAGE SUPPLEMENTAL DECLARATIONS
U819 (05-13) SUPPLEMENTAL EXTENDED REPORTING PERIOD ENDORSEMENT
U820 (05-13) COLORADO DISCLOSURE FORM – CLAIMS-MADE POLICY
U821 (05-13) ALASKA ATTORNEYS FEES COVERAGE NOTICE B
U822 (05-13) ACKNOWLEDGEMENT OF DEFENSE COSTS INCLUDED WITHIN THE LIMIT OF LIABILITY – MISSOURI
U823 (05-13) ACKNOWLEDGEMENT OF DEFENSE COSTS INCLUDED WITHIN THE LIMIT OF LIABILITY – RHODE ISLAND
U824 (05-13) ACKNOWLEDGEMENT OF DEFENSE COSTS INCLUDED WITHIN THE LIMIT OF LIABILITY – WYOMING
U825 (05-13) MISSOURI DISCLOSURE NOTICE REGARDING DEFENSE COSTS INCLUDED WITH THE LIMIT OF LIABILITY
U826 (05-13) OREGON DISCLOSURE NOTICE REGARDING DEFENSE COSTS INCLUDED WITH THE LIMIT OF LIABILITY
U827 (05-13) ALASKA CHANGES
U828 (05-13) CONNECTICUT CHANGES
U829 (05-13) DISTRICT OF COLUMBIA CHANGES
U830 (05-13) GEORGIA CHANGES
U831 (05-13) ILLINOIS CHANGES
U832 (05-13) KANSAS CHANGES
U833 (05-13) KENTUCKY CHANGES
U834 (05-13) MARYLAND CHANGES
U835 (05-13) MAINE CHANGES
U836 (05-13) MINNESOTA CHANGES
U837 (05-13) MISSOURI CHANGES
U838 (05-13) NORTH CAROLINA CHANGES
U839 (05-13) NEW HAMPSHIRE CHANGES
U840 (05-13) OHIO CHANGES
U841 (05-13) SOUTH DAKOTA CHANGES
U842 (05-13) TEXAS CHANGES
U843 (05-13) UTAH CHANGES
U844 (05-13) VIRGINIA CHANGES
U845 (05-13) WASHINGTON CHANGES
U846 (05-13) WYOMING CHANGES