

Policy Highlights

Travelers Bond & Financial Products offers employment practices liability insurance underwritten by Farmington Casualty Company, rated A+ (Superior) by A.M. Best* for financial strength and claims paying ability. Specifically designed to meet the needs of today's employers, the policy combines comprehensive coverage features, expert claims handling and state of the art risk management services.

Expanded coverage and broad definitions

- Broad definition of “wrongful employment practice” includes coverage for workplace harassment, discrimination, retaliation, breach of employment agreement, wrongful termination, violation of the FMLA, invasion of privacy and failure to create or enforce adequate employment policies and procedures
- Expanded definition of “discrimination” covers any claim based on violation of employment discrimination law or disparate treatment
- Coverage for liquidated damages awarded under the Age Discrimination in Employment Act and the Equal Pay Act as well as damages measured by the value of stock options or other employee benefits
- Punitive damages covered if insurable under the applicable law most favorable on the issue of insurability
- Coverage for claims brought by independent contractors, leased employees and volunteers
- Worldwide coverage for claims brought in the U.S., its territories and possessions
- Noncancellable except for nonpayment of premium
- Third Party coverage available to qualified insureds

Risk Management PLUS+ Online[®] for Employment Practices

- Interactive training on employment issues delivered via the Internet
- Free access to employment attorneys

A Must For Every Employer

Does my company really need employment practices liability insurance?

Employment Practices Liability Insurance is critical to protect your company from the potentially catastrophic costs of employment litigation. Most companies would never consider dropping fire insurance coverage, but today the chances of being sued by an employee are greater than having a fire.

Are employment suits really that common?

The number of employment related lawsuits is at an all time countrywide high and steadily increasing. In 2006 alone the Equal Employment Opportunity Commission handled almost 80,000 charges.¹ Add to that the hundreds of thousands of employment claims filed with state and local agencies and the numbers are staggering.

¹ The U.S. Equal Employment Opportunity Commission, Charge statistics, <http://www.eeoc.gov/stats/charges.html> (accessed May 7, 2007)

FARMINGTON CASUALTY COMPANY

EMPLOYMENT PRACTICES LIABILITY INSURANCE

If my company has good policies and procedures in place, we don't have to worry ... right?

A company with good employment practices is in an excellent position to defend itself in the event of employment litigation, but the cost of mounting that defense can be enormous. It is not uncommon for legal fees associated with winning an employment lawsuit to be in excess of \$250,000! When you've spent that much on legal fees, it's hard to feel like you've won. Add to that the fact that in 2003 a plaintiff bringing an employment case had a 75 percent chance of winning with an average damage award of \$581,000 ², and one might start to worry.

Aren't all EPL policies the same?

In a word, no. At Travelers Bond & Financial Products, we're committed to being a market leader in executive liability insurance. Our Farmington Casualty Company Employment Practices Liability insureds have the benefit of the dedicated expertise of our Bond Claim department. Also, policyholders have free access to state of the art risk management services that can help decrease an organization's exposure to costly litigation claims.

² Employment Practices Liability: Jury Award Trends and Statistics, 2005 Edition, Jury Verdict Research®



Travelers Casualty and Surety
Company of America and its
property casualty affiliates
One Tower Square
Hartford, CT 06138

travelersbond.com

This material does not amend, or otherwise affect, the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced in this document can depend on underwriting qualifications and state regulations. * For a listing of companies rated by A.M. Best and other rating services visit travelers.com. Ratings listed herein are as of April 9, 2007, are used with permission, and are subject to changes by the rating services. For the latest rating, access ambest.com.

© 2007 The Travelers Companies, Inc. All rights reserved. BO-1000FC Rev 4-07