

WHY YOU NEED EMPLOYMENT PRACTICES LIABILITY INSURANCE (EPLI)



- 1. Small business employers are three times more likely to face employee lawsuits than a fire loss.
- 2. According to Statista, U.S. employers spent \$5.5 billion on employment litigation in 2020.
- 3. 41.5% of U.S. employers involved in employment litigation in 2022 had fewer than 100 employees.
- 4. The average EPL lawsuit can span 18–24 months and cost as much as \$300,000 in defense costs for the employer to resolve, which adds a significant amount of stress for your business.
- 5. The cost of settling out of court averages \$75,000, and the average jury award hits \$217,000 if you go to court and lose.

LAWSUITS ON THE RISE

EPLI lawsuits have increased by 400% in the last two decades due to various social justice movements and a greater recognition and understanding of employee rights.

MAKE SURE YOUR POLICY PROVIDES THE PROPER COVERAGE

COVERAGE FEATURES	USLI	COMPETITORS
	Fair Labor Standards Act (FLSA) \$100,000 sublimit for defense and loss for wage and hour claims (not available in CA and FL or on accounts with prior claims); \$100,000 defense cost only endorsement available in Florida	
	Defense outside the limit	
	Immigration expense coverage	
	Workplace violence expense	
	Duty to defend	
	Full prior acts	
	Punitive damages	
	Risk management services – free human resources consultation helpline with unlimited calls and no time limits	
	Defense outside the limit up to 200 employees if a \$500,000 or higher limit is chosen (does not apply to violations of FLSA)	
	Workplace Violence and Kidnap Expense sublimit (subject to class eligibility)	
	Immigration Expense sublimit (subject to jurisdiction and class eligibility)	
	Full Prior Acts coverage for claims-free accounts in most states and for most classes	
	Punitive damages with most favorable venue wording included in the definition of loss (available in most jurisdictions)	

This document does not amend, extend or alter the coverage afforded by the policy. For a complete understanding of any insurance you purchase, you must first read your policy, declaration page and any endorsements and discuss them with your agent. A sample policy is available from your agent. Your actual policy conditions may be amended by endorsement or affected by state laws. USLI companies are members of the Berkshire Hathaway family of companies and have an A++ Superior rating for financial stability from AM Best. The insuring company names are United States Liability Insurance Company, Mount Vernon Fire Insurance Company, and U.S. Underwriters Insurance Company.