

# Why To Buy Employment Practices Liability For Non Profit Organizations

- ▶ Employment Practices Liability covers not only actual but alleged acts of discrimination, harassment, retaliation and wrongful termination.
- ▶ Employment lawsuits can be brought by employees as well as volunteers or third parties.
- ▶ The average cost to defend an employment claim is \$150,000. The financial ramifications of not having Employment Practices Liability Insurance can be crippling to the operations of a small non profit.
- ▶ Non Profits are not protected under Commercial General Liability for employment lawsuits. Endorsements to a General Liability form for such coverage are generally inadequate and erode limits of liability.
- ▶ An employer is more likely to have an employment claim than a General Liability or Property claim. Six out of ten companies have been named in a discrimination or harassment lawsuit in the past five (5) years.
- ▶ Recent Supreme Court rulings have held that employees may win discrimination suits without direct evidence of an employer's illegal intent.
- ▶ Age discrimination lawsuits continue to be on the rise as the baby boomer generation ages and remains in the workforce.
- ▶ The 1991 amendments to the Civil Rights Act give employees the ability to seek jury trials, damages for mental anguish and emotional distress, and obtain punitive damage awards.
- ▶ Three out of five former employees sue their employers every year.
- ▶ Approximately 550 employment lawsuits are filed every day in the United States.

