
C P A M U T U A L E M P L O Y M E N T P R A C T I C E S L I A B I L I T Y A D D I T I O N A L C O V E R A G E H I G H L I G H T S

Thank you for considering CPA Mutual's EPLI policy. We believe Employment Practices Liability (EPL) is a major risk to the majority of our members and purchasing insurance coverage is a great start in limiting that exposure.

The following is a brief outline of a few other coverage highlights included in our latest (EPL/12-03) policy edition. This explanation along with the other Coverage Highlights and specimen policy should provide you with enough information to make a sound decision.

Claims may include covered acts which fall under the policy definitions as outlined below:

Discrimination means termination of the employment relationship, a demotion or failure or refusal to hire or promote or denial of an employment benefit or the taking of any adverse or differential position regarding employment because of race, color, religion, age, sex, disability, pregnancy, sexual orientation or national origin, or any other basis prohibited by federal, state or local law.

Harassment means unwelcome sexual or non-sexual advances, requests for sexual or non-sexual favors or other verbal or physical conduct of either a sexual or non-sexual nature that (1) are explicitly or implicitly made a condition of employment, (2) are used as a basis for employment decisions, or (3) create a work environment that interferes with performance.

Inappropriate Employment Conduct means:

1. actual or constructive termination of an employment relationship in a manner which is against the law and wrongful or in breach of an implied agreement to continue employment;
2. allegations of wrongful demotion, wrongful discipline or negligent employee evaluation;
3. allegations of misrepresentation made by an Employee, a former Employee or an applicant for employment which arise from an employment decision to hire, fire, promote or demote;
4. allegations of infliction of emotional distress, mental injury, mental anguish, shock, sickness, disease or disability made by an Employee, former Employee or an applicant for employment which arise from an employment decision to hire, fire, promote or demote;
5. allegations of false imprisonment, detention or malicious prosecution made by an Employee, a former Employee or an applicant for employment which arise from an employment decision to hire, fire, promote or demote;
6. allegations of libel, slander, defamation of character or any invasion of right of privacy made by an Employee, a former Employee or an applicant for employment which arise from an employment decision to hire, fire, promote or demote;
7. retaliatory actions resulting in a failure or refusal to promote or denial of an employment benefit or the taking of any adverse or differential employment position.

CPA Mutual's policy also has provisions for:

- Your firm's limit of liability is not reduced by your deductible (retention).
- The Deductible is reduced by up to 50% if claim settled through formal mediation.
- Optional Extension Period - CPA Mutual offers a 30 day election period and up to one year of extended reporting period coverage.

If you are interested in protecting your firm, we highly recommend buying the limited prior acts coverage. It may cost you a little more now but gives you additional coverage for prior unknown, unreported incidents.

Please let us know if you need further clarification of CPA Mutual's policy. We can be reached at 800-272-0290 or 386-418-4003.