



CLAIM SCENARIOS

PRIVATE COMPANY - EMPLOYMENT PRACTICE LIABILITY

Age Discrimination

An age discrimination lawsuit was brought by a highly paid 62 year old sales representative who was employed by the Insured. He was terminated for not meeting his sales quotas. Despite layoffs and cutbacks at the company, there was no documentation that showed the plaintiff was a poor performer.

A settlement of \$540,000 was reached.

Sexual Harassment and Wrongful Termination

Several female employees at a company complained that the CEO was sexually harassing them. As required by law, the President proceeded to investigate the complaints. Within one month of the start of the investigation and without apparent backing of the board of directors, the President was terminated by the CEO under the pretext of performance issues. This was despite the fact that he was given a raise a few months earlier. The President filed a separate wrongful termination suit due to the conflict between the Board of Directors and the CEO. The settlement and Defense Cost exceeded the policy's Limit of Liability.

Racial Discrimination

A group of Indian descent applicants sued a private retail store for ethnic and racial discrimination after learning they had all been denied employment strictly based on their race and ethnic background. The Defense Cost and settlement was over \$200,000.

Retaliation

The Executive Assistant to the Chief Financial Officer was terminated for divulging confidential information to staff regarding impending company layoffs. A suit was brought by the assistant for retaliation and sexual harassment as she claimed the CFO always made suggestive comments and improperly touched her. Defending the CFO cost over \$150,000.

Religious Discrimination

A claim was brought by a former employee for religious discrimination. She alleged the hiring practices of the Insured were unlawful because they stated they would only hire Christian workers. Once it was learned that the plaintiff was not a Christian, she was passed up for a promotion. A settlement of \$52,000 was reached.

Disability Discrimination

An employee went out on medical leave for treatment of an illness. When he was ready to return to work the Insured told him his position had been filled by someone else and his job was no longer available. He filed suit for lost wages, emotional distress, and violation of disability discrimination statutes. The Defense Cost and settlement was greater than \$100,000.

800.873.4552 | **PHLY.com**

The PHL *Difference*

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Your insurance policy, and not the information contained in this document, forms the contract between you and your insurance company. If there is a discrepancy or conflict between the information contained herein and your policy, your policy takes precedence. The claim scenarios described herein are for illustrative purposes only and should not be compared to any other claim. Coverage for a specific loss will vary based on the details of the loss, the policy terms and conditions, and applicable law. All coverages are not available in all states due to state insurance regulations. Certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2024 Philadelphia Consolidated Holding, All Rights Reserved.

