

EMPLOYMENT PRACTICES PROTECTOR

Employment Practices Liability Insurance

FEATURING

*Loss Control Advisory
Support Services*

TO SUPPLEMENT YOUR EXISTING

General Liability Coverage

*Underwritten by Certain
Underwriters at Lloyd's*



PETERSEN INTERNATIONAL UNDERWRITERS

Lloyd's Correspondents

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EMPLOYMENT PRACTICES LIABILITY PLAN HIGHLIGHTS

- FREE LOSS CONTROL SERVICE PROVIDED TO INSURED'S BY A NETWORK OF LEADING LABOR LAW FIRMS; LOSS CONTROL INCLUDES A FULL POLICIES/PROCEDURES REVIEW AND EMPLOYEE HANDBOOK, IF REQUIRED.
- COVERAGE FOR PUNITIVE DAMAGES AVAILABLE USING "MOST FAVORABLE JURISDICTION" WORDING.
- THIRD PARTY COVERAGE AVAILABLE.
- TEMP AGENCY OR LEASING AGENCY COVERAGE AVAILABLE WITH CLIENT COVERAGE EXTENSION.
- PRIOR ACTS COVERAGE PROVIDED.
- ORAL COMPLAINT COVERED AT INSURED'S OPTION.
- DUTY TO DEFEND.
- 45 DAY AUTOMATIC COVERAGE FOR ACQUISITIONS
- BROAD DEFINITION OF DISCRIMINATION INCLUDING ANY EMPLOYMENT DISCRIMINATION PROHIBITED BY FEDERAL, STATE AND LOCAL LAW.
- BROAD COVERAGE OF WRONGFUL TERMINATION, INCLUDING COVERAGE FOR BREACH OF IMPLIED CONTRACT, RETALIATORY DISCHARGE, CONSTRUCTIVE TERMINATION, WHISTLE BLOWING, EMPLOYMENT RELATED LIBEL, SLANDER, DEFAMATION, INVASION OF PRIVACY, EMOTIONAL DISTRESS, SHOCK, SICKNESS, DISEASE OR DISABILITY, AND MISREPRESENTATION.
- BROAD DEFINITION OF HARASSMENT
- COVERAGE FOR WRONGFUL DEMOTION
- NO INTENTIONAL ACTS EXCLUSION
- NO ASSAULT AND BATTERY EXCLUSION
- NO CLASS ACTION EXCLUSION
- EARLY TRIGGER OF COVERAGE WITH DEFENSE EXPENSES COVERED FROM ONSET OF INVESTIGATION
- COVERAGE FOR ENTITY, DIRECTORS, OFFICERS, PARTNERS, MANAGERS, SUPERVISORS, FULL-TIME EMPLOYEES, PART-TIME EMPLOYEES, SEASONAL AND TEMPORARY EMPLOYEES AND STOCKHOLDERS
- ONE-YEAR BILATERAL EXTENDED REPORTING PERIOD WITH 15 DAY PURCHASE OPTION.
- LIMITED REPORTING PERIOD OF 30 DAYS AFTER POLICY EXPIRES
- LIMITS UP TO \$5 MILLION WITH DEDUCTIBLES AS LOW AS \$5,000
- ZERO CO-PAYMENT



EMPLOYMENT PRACTICES PROTECTOR

A PLAN TO SUPPLEMENT YOUR GENERAL LIABILITY INSURANCE

Employment Liability Insurance is a prudent plan for business owners to carry. Business Owners are highly visible targets for liability claims because of their perceived high incomes and accumulated wealth. The business owner is considered a DEEP POCKET TARGET by people who see an opportunity to make the equivalent of a lifetime income by suing the employer on a sexual harassment or non-sexual harassment, wrongful termination or discriminatory basis.

Certainly not all liability claims are made by predators who seek to retire on a complaint basis. Some are legitimate claims made by honest and sincere people who have been improperly treated, wrongfully terminated or harassed by another employee of the firm.

Regardless of the motive of the claiming party, the claiming party usually wins and the hapless business owner, even if personally innocent of any wrong doing, suddenly faces a large cash judgment, plus huge legal costs, that will not be covered by the usual business insurance that has been dutifully carried for years



SPECIFIC EXAMPLES OF CLAIMS AGAINST EMPLOYERS



Specific claims examples that resulted in judgements that were unexpected, unplanned and resulted in crippling financial consequences.

- A legal secretary won a sexual harassment award from the prestigious law firm, Baker & McKenzie. Compensatory damages \$50,000, punitive damages \$1,100,000. This case gained national recognition by being televised on Court T.V. The original jury award was \$7,000,000, which was reduced by the judge as being excessive.
- An employee complained of a hostile environment which was degrading and caused emotional stress. Compensatory and punitive damages plus court and legal costs exceeded \$2,500,000.
- A jury found the employer guilty of laying off higher paid employees, who by seniority were in that group, in favor of younger, lower paid employees. Damages and legal costs exceeded \$1,700,000.
- Lack of promotions to qualified persons was determined to be ethnic based selectivity. Damages and costs over \$3,000,000.



Whether a firm is large or small, hard dollars are lost when an employment practice case is litigated. These hard dollar losses come from absenteeism, lower productivity, increased health costs, poor morale and turnover. One Fortune 500 company estimates its losses with these kinds of claims to exceed \$7,000,000.

The Employment Practices Protector is a shield of one's wealth.

THE BEST DEFENSE IS A SOLID OFFENSE

The employer may be personally innocent of any wrong doing, but new laws are holding the employer liable for the misdeeds of managers, supervisors and staff.

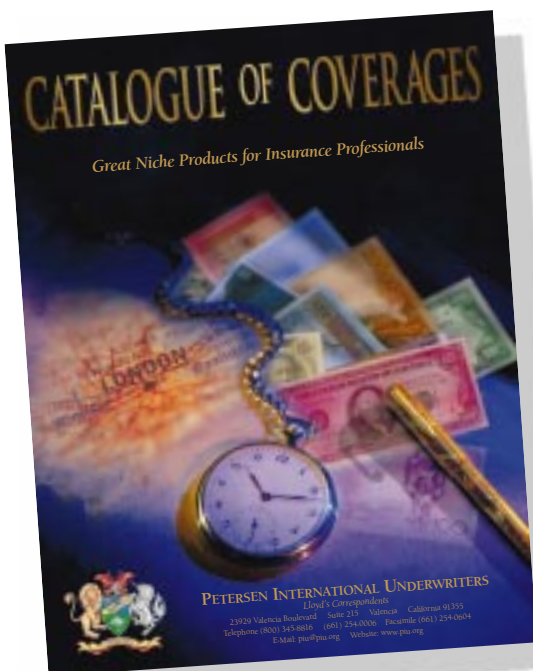
THE EMPLOYMENT PRACTICES PROTECTOR INCLUDES:

- **LOSS CONTROL SERVICE** provided by a network of specialized law firms in the field of labor and employment law.

This service is free of any cost to the Insured firm. It consists of a review of employer personnel policies, procedures and the employee handbook and a seminar for all executives, managers and supervisors in which the law and the employers practices are carefully reviewed.

- **EMPLOYMENT PRACTICES LIABILITY INSURANCE** is included in the Employment Practice Protector. This is the latest generation of coverage honed to perfection by the Underwriters who are sensitive to the latest laws and regulations pertaining to the relationships and the environment of employers and employees.
- A 30% discount is given to the Insured firm because of the **LOSS CONTROL** efforts undertaken by the firm in organizing for a preventive defense.
- The coverage is available through Petersen International Underwriters and insured by Certain Underwriters at Lloyd's. Lloyd's is rated A (Excellent) by A.M. Best and A+ by Standard & Poor's.

OTHER IMPORTANT COVERAGES FOR EMPLOYERS



THE EXECUTIVE 400

For personal disability insurance, business overhead expense, to fund buy/sell agreements, to guarantee contracts, venture capital and key persona.

- Kidnap/Ransom, including crisis management experts.
- Political risk, including evacuation of personnel and loss of assets by nationalization or change of laws

THE INTERNATIONAL MAJOR MEDICAL

Including Follow Me Home and Repatriation coverage, for individual trips or for year round protection.

HIGH LIMIT ACCIDENT INSURANCE

On a trip by trip basis or on an annual basis.

Petersen International Underwriters Privacy Policy Statement

Petersen International Underwriters

Petersen International Underwriters want you to understand how we protect the confidentiality of non-public personal information we collected about you.

Information We Collect

We collect non-public information about you from numerous sources including, but not limited to:

- a) Information we receive from you on applications and other forms;
- b) Information about your transactions with our affiliates, others or us;
- c) Information we receive from consumer-reporting agencies; and
- d) Financial and medical sources.

Information We Disclose

We do not disclose any non-public information about you to anyone except as is necessary in order to provide our products or services to you or otherwise as we are required or permitted by law (e.g. subpoena, fraud investigation, regulatory reporting, etc.).

Confidentiality and Security

We restrict access to non-public personal information about you to our employees, our affiliates' employees or others who need to know that information to service your account. We maintain physical, electronic and procedural safeguards to protect your non-public personal information.

Contacting Us

If you have any further questions about this privacy statement or would like to learn more about how we protect your privacy, please contact the insurance producer who handled this case, or our offices at: 23929 Valencia Boulevard, Suite 215, Valencia, California 91355, (800)345-8816, e-mail: piu@piu.org

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AUTHORIZATION TO RELEASE PERSONAL INFORMATION HIPPA Compliant

I AUTHORIZE any physician, medical practitioner, hospital, clinic, health care facility, other medical or medically related facility, insurance or reinsuring company, consumer reporting agency, employer having information available as diagnosis, treatment, and prognosis with respect to any physical or mental condition and/or treatment of me or my minor children to provide to Petersen International Underwriters, Inc., or to any agency authorized by Petersen International Underwriters, Inc to collect any and all such information by means of U.S. Post , fax or e-mail.

I AUTHORIZE Petersen International Underwriters to communicate with me/us or our representative via mail, phone, fax or electronic mail regarding quotations, underwriting, claims, coverage administration, or additional coverages from Petersen International Underwriters.

I UNDERSTAND the purpose of this Authorization is to allow Petersen International Underwriters, Inc., to determine eligibility for life or health insurance or claim for benefits under a life or health policy. Any information obtained will not be released by Petersen International Underwriters, Inc., to any person or organization EXCEPT to those persons or organizations needing such information in performing business or legal services in connection with my application, claim or as may be otherwise lawfully required or as I may further authorize.

I KNOW that I may request to receive a copy of this Authorization.

I UNDERSTAND that I may revoke this Authorization, except to the extent that Petersen International Underwriters, Inc. has acted in reliance upon this Authorization. My revocation must be submitted in writing to Petersen International Underwriters Inc.. Any such revocation may also have an impact upon my Underwriting or claims processing.

I UNDERSTAND that I can obtain a complete copy of Petersen International Underwriters Inc. Privacy Policy either on Petersen International Underwriters, Inc. website or by contacting them directly and asking for a copy.

I AGREE that a photostatic copy of this Authorization shall be as valid as the original.

I AGREE this Authorization shall be valid for two years from the date shown below.

Signed this _____ day of _____ 20_____

Signature of Proposed Insured