

## EMPLOYMENT PRACTICES LIABILITY INSURANCE STANDALONE POLICY VS BOP ENDORSEMENT

Why choose a standalone EPLI policy from **ABA Insurance Services** over a BOP EPLI endorsement? Compare the two:

| FEATURE   | STANDALONE<br>EPLI POLICY | BOP EPLI<br>ENDORSEMENT | WHY?  |
|---|---------------------------|-------------------------|---|
| <b>Defense Outside the Limits Option Available</b>                                | ✓                         |                         | Attorney fees can be the most expensive part of an employment practices related lawsuit. Standalone policies can provide a “Defense Outside Limits” feature that may effectively double coverage. If this option is selected, defense costs will not erode the liability limit.<br><br><i>For example, a company would be protected by its policy limit of \$500,000 to cover judgments and settlements PLUS have an additional \$500,000 available to cover defense costs.</i> |
| <b>Fair Labor Standards Act (FLSA) Coverage</b><br><i>Specialized terms in CA</i> | ✓                         |                         | With standalone EPLI, an insured may qualify for a \$25,000 - \$150,000 sublimit of liability for defense costs arising from FLSA (aka wage and hour) claims.   |
| <b>Fewer Exclusions</b>   | ✓                         |                         | While coverage varies policy to policy, EPLI endorsements generally have more restrictive exclusions. For example, standalone policies typically cover mental anguish and emotional distress allegations while many EPLI endorsements do not.   |
| <b>Preserves General Liability Limits</b>   | ✓                         |                         | An EPLI claim reported to a BOP carrier may reduce the available General Liability limits, jeopardizing coverage when an actual General Liability claim occurs.   |
| <b>Higher Limits of Liability Available</b>                                       | ✓                         |                         | Our standalone EPLI policies are available up to \$2,000,000 versus a BOP EPLI endorsement, which may cap out at \$500,000.   |

### EPLI LOSS PREVENTION RESOURCES

**PLUS**, ABA Insurance Services’ EPLI policy includes loss prevention resources.

Littler Mendelson, one of the nation’s leading employer defense firms, provides legal services and HR resources for employment-related issues to our insureds, such as unlimited access to online reference material and a toll-free helpline. Attorneys from Littler are available to provide confidential consultations regarding employment matters such as terminations, disciplinary actions, and harassment issues.