

Employee Practice Liability

Fremont Insurance is pleased to announce our Employment Related Practices (EPLI) coverage effective April 1, 2008 for all eligible Business Owners policies and effective May 1, 2008 for all eligible Commercial Package policies. The coverage form will be added to renewals and new business to provide you one more competitive advantage in the market place.

Highlights of Fremont's EPLI coverage include:

- Designed for small businesses
- 0 to 50 employees
- Minimum Premium of \$50
- Roll on Limit of \$50,000 with \$75,000, \$100,000 and \$250,000 options available.
- Deductibles are \$5,000, \$10,000 and \$25,000 options.
- Broad Coverage
- Affordable Price – Pricing is a percentage of premium basis which applies to BOP premium or General Liability premium.
- Ranging from 7.4% of premium to 13.8% depending on the limit and deductible.
- Seamless – requires minimal additional underwriting information.
- Attorneys' offices, schools or colleges and private country clubs are not eligible.

Coverage is on a **claims made** basis and affords protection against wrongful employment acts including harassment, wrongful termination or discrimination.

A few key statistics:

- There were well over \$100,000 claims filed in 2007
- 75% of claims are groundless
- 52% of charges are against small businesses
- Average complaint > one year to resolve
- Early settlements averaged \$7,500 (10%)
- Arbitration / Mediator averaged \$22,400 (27%)
- Administrative hearings averaged \$40,500 (54%)
- Pre-trial settlement averaged \$170,000 (7%)
- Tried cases \$1,000,000 + (2%)

A waiver is available for this coverage.