

### EMPLOYMENT PRACTICES LIABILITY INSURANCE

In a litigious age there is always the risk of lawsuits that employers face from employees. These claims can be extremely expensive to defend against, even if the employers are innocent of wrongdoing and the court is in favour of the employer. A charge of discrimination, for example, may cost millions, but it can also tarnish a company's image and hurt employee morale. HDFC ERGO has introduced the Employment Practices Liability Insurance (EPLI) policy, which will provide invaluable insurance coverage for your organisation.

#### WHO IS COVERED

EPLI policy covers your company and its employees. Employment Practices Liability Insurance will provide a defense and claim payment on behalf of the company where any employment related claims have been made by any past, current and prospective employees.

#### POLICY FEATURES

- Broad definition of insured persons
- Defense costs and damages coverage
- Punitive Damages coverage insurable by law
- Worldwide Coverage
- Claims made coverage
- Broad definition of Wrongful Acts

#### KEY EXCLUSIONS

- Pending or prior litigation, demands or judgments
- Circumstances notified under a prior insurance policy
- Bodily Injury or property damage claims
- Alleged violation of the responsibilities, obligations or duties
- Any deliberately fraudulent act
- Pollution claims
- Fines and penalties
- State employment law violations

#### WHAT IS A CLAIM

It covers the company from the financial consequences associated with employment-related lawsuits made by its employees. It provides protection against charges of

- Racial or age discrimination
- Sexual harassment
- Wrongful termination
- Emotional Distress
- Breach of any oral or written employment contract
- And a variety of other employment related claims

#### SECTION 41 OF INSURANCE ACT 1938 (PROHIBITION OF REBATES)

No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurers.

Any person making default in complying with the provision of this section shall be liable for a penalty which may extend to ₹10 Lakh.