

IMPORTANT NOTICE

About Employment Practices Liability

Be sure to report ALL incidents as soon as you have notice!

It is the insured's obligation to report a claim or a potential circumstance that could give rise to a claim to the carrier. While many insureds might be inclined initially to try to handle claims internally to avoid damaging their coverage, a delay can easily be detrimental to the insured and put the coverage in jeopardy.

Unlike other types of policies, claims-made policies are very explicit on how and where to report a claim. The reporting requirements cannot be stressed enough because failure to comply with the policy provisions can bar coverage for an insured. We encourage you to report ALL INCIDENTS AS SOON AS YOU HAVE KNOWLEDGE and also before the policy expiration to protect your rights!

Case:

An employee of a manufacturer alleged being sexually harassed by another employee. The harassed employee informed the supervisor of this incident via e-mail and asked for help. The supervisor took down the information, but did not report the claim to the insurance company during the policy period. Seventy-five days after the policy expired, the harassed employee filed a lawsuit.

Coverage was subsequently denied because the claim was not reported during the policy period or extended reporting period. In this case, the insured did not realize that the notice to the supervisor of the harassment actually served as notice of a claim under the definition of the policy because that was the claim trigger.

Don't let that happen to you!