



Let's Take a Look at these Case Files . . .

DISCRIMINATION

Professional: Drug Store
Allegation: Race Discrimination Alleged by Customer
Damages: Settlement of \$12,000, and legal fees of \$4,000

At a small downtown retail drug store one of the lunchtime customers, a business person of Middle Eastern decent, alleged that the counter help made repeated derogatory remarks about his ethnic clothing and accent. Upon investigation, the manager of the retail drug store found that the staff had in fact made the derogatory comments to not only this customer, but several others that often came in. The retail drug store settled with the customer for \$12,000. Legal fees were \$4,000.

HARASSMENT

Professional: Professional Office
Allegation: Sexual Harassment Alleged by Client
Damages: Settlement of \$20,000, and legal fees of \$8,500

A female client of a small accounting firm alleged that during her frequent visits to the office the male receptionist would often make sexually suggestive remarks about her physical appearance. Although the client and the receptionist often exchanged playful banter, on several occasions the female client alleged that the discussions went over the line. In addition to the settlement with the client of \$20,000, the firm also instituted a new third-party harassment policy for all staff members to follow.

WRONGFUL TERMINATION

Professional: Cell Phone Provider / Retail Store
Allegation: Wrongful Termination Alleged by Employee
Damages: Settlement of \$28,000, and legal fees of \$8,000

Recently, a cell phone retail store terminated a long-time employee. Despite having a high level of technical experience, the employee had recently become less effective in her position due to a reluctance to stay current on the latest technologies and equipment. Even though the manager had counseled her on her recent poor work performance, her performance appraisals did not reflect her inferior work and instead read favorably. After having to repeatedly correct her work, the manager terminated her. The employee immediately brought suit alleging age discrimination (she was over 50) and wrongful termination. In her complaint, she cited (and provided copies of) her favorable performance appraisals. The firm settled the matter for \$28,000. Legal fees were \$8,000.

EMPLOYMENT PRACTICES LIABILITY LOSS PREVENTION AND CLAIM SERVICES

EPL coverage by Farmers of Salem includes an EPL Hotline and loss prevention website that provides employers with tools and information to help them avoid situations that can lead to an employment claim. The website helps to educate employers about unlawful employment practices and inappropriate behaviors, and proper risk management techniques to "prevent or correct" unlawful employment practices.

Claim services include legal representation by law firms specializing in employment law. In the event that a claim warrants defense, we will choose and retain one of these law firms to represent the insured.