Real Example—Could this happen to you?

A director was terminated after the organization found that $123,000 in donations was misappropriated for personal use. The nonprofit filed suit against the director to recover the assets. The director countersued the organization for wrongful termination. The suit ended up costing over $500,000.

Hanover Nonprofit Advantage

Employment Practices Liability Coverage

Employment-related lawsuits like sexual harassment, job discrimination, and wrongful termination, are at their highest level in twenty years. Even employees who are treated like “family” can file employment practices liability claims. Merit cases can cripple a smaller organization for years, or force it to cease operations altogether. Even claims eventually proven frivolous can cost organizations tens of thousands of dollars to defend. Are you prepared?

Hanover’s Employment Practices Liability Insurance (EPL) is designed to protect nonprofits from financial damage caused by a claim or lawsuit from within the organization. Keeping current with today’s legal environment, our program provides broad coverage for employment practices and wrongful acts.
Allegations may include (but are not limited to):

- Claims of discrimination of a terminated employee based upon gender, race, age, or religious affiliation
- Hostile work environment
- Wrongful discharge
- Retaliation
- Emotional distress, humiliation, or defamation as a result of a wrongful employment act

Employees covered:

- Leased Employees
- Temporary Workers
- Committee Members
- Directors and Officers
- Trustees
- Full-Time & Part-Time
- Seasonal Employees

Essential Coverages:

- Broad Coverage for an array of allegations including: discrimination, harassment, retaliation, constructive discharge, termination, failure to hire, and negligent supervision
- Punitive or exemplary damages up to the limit of liability, where insurable
- Personal Injury
- Duty to Defend
- EEOC (or state equivalent) coverage
- Monetary and Non-Monetary relief
- Third-Party Liability
- Independent Contractors

Additional Available Enhancements

- Immigration Investigation Proceeding sub-limit
- Wage & Hour (FLSA) costs of defense sub-limit

Get the protection you need today.

You owe it to the people who depend on your organization to protect yourself from employee practices liability threats. Your Hanover Agent, working in tandem with The Hanover, is ready to help you take advantage of this important coverage and craft a plan that makes the most sense for your nonprofit. Contact your local Hanover Agent today.