

SEATON, BECK & PETERS, P.A.  
“The Lawyers for Employers”

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ALERTING MANAGEMENT TO BREAKING LABOR AND EMPLOYMENT LAW DEVELOPMENTS

No. 43 – August, 2002

***Managing the Risk of Employment and Labor Lawsuits, Claims and Charges:  
Are You Well Insured, Under Insured or “Going Naked?”***

**By Douglas P. Seaton**

Could your business easily handle an “unplanned” \$300,000 verdict (the “average”) in a wrongful discharge, “whistleblower,” discrimination or harassment lawsuit? Most of the employers we advise and represent could not. We don’t think your firm could, or should have to, either, but only about 15% of employers have insurance for labor employment claims, the most serious uninsured risk most firms face.

Seaton, Beck & Peters, P.A. is a member of the Worklaw Network, the exclusive national network of management-side labor and employment law firms, which currently numbers 25 firms. One of the major initiatives of the Worklaw Network has been the development of the Employer Shield Employment Practices Liability Insurance (EPLI) Program with Genesis Insurance, which we believe to be one of the best and broadest insurance program available to employers to manage the risk of labor and employment related claims of all types. This Policy grew out of concern on the part of the Worklaw Network law firms that existing employment practices insurance policies offered limited coverage, low liability limits and high deductibles, and are still relatively costly. Even more troublesome is the fact that both the preventive and planning work with insured employers and the defense of their claims are often being handled by law firms and lawyers who do not concentrate in labor and employment work.

The Worklaw Network selected Genesis Insurance Company, an A.M. Best rated A++ “SUPERIOR” insurance company, as the carrier for this national program. The Worklaw Network partnered with Genesis to create a program that cannot be matched in the insurance market. The Policy not only includes very comprehensive coverage at competitive rates, but also offers the benefit of preventive risk management and claims defense by experienced labor and employment attorneys affiliated with law firms which dedicate their practice solely to representation of management. Seaton, Beck & Peters, P.A. played an integral part in the development of this insurance product and would serve as defense counsel for insureds under the Policy in our Region, supplemented by assistance from other Worklaw Network affiliates throughout the country. Employers can work with their own insurance agents, or directly with Genesis, to obtain information and/or a quote and to apply for this coverage.

The Genesis Employer Shield policy provides coverage for many claims that are not covered at all by other policies, such as many types of unfair labor practice proceedings and non-contractual employee arbitrations, claims brought “on behalf of” employees by government agencies and unions – organizations which often aggressively pursue alleged employer infractions. Additional program features include coverage for punitive damage claims (where permitted), workplace tort claims, claims of harassment and wrongful discharge, as well as “salting,” whistleblower, discrimination, and retaliation claims.

The coverage amounts available from Genesis range from \$500,000 to \$25 million, though \$1 million is the more typical coverage amount. Deductibles start at \$2,500 and the minimum premium is \$975. Genesis EPLI quotes received by our clients have been very competitive. Seaton, Beck & Peters, P.A. can also provide a partially insurer paid employment practices audit for an insured as an additional measure to help manage the risk of employment and labor related claims and violations.

We are excited by the Genesis Employer Shield Program. It provides an opportunity for employers to insure themselves against the vast majority of the employment-related and labor-related claims which our lawyers have fought on clients' behalf over the last 20 years, and to manage this serious risk in a cost-effective manner, within budget parameters, while retaining experienced labor and employment law counsel for the defense.

The reasonable pricing, breadth of coverage, top-notch preventive and claims services and availability of experienced labor and employment law representation when claims are made, make this Program an extremely worthwhile option for most employers.

We are offering a free two-hour Breakfast Briefing on EPLI on September 12, 2002 for those who would like to get more information on employment claims insurance. The Briefing will address general EPLI issues of coverage, deductibles, "choice of counsel," claims handling "fit," and preventive steps to reduce exposure, as well as the options available to employers who want to insure this risk. Location, date and time are shown in the box below.

Please call, write, fax or email any Seaton, Beck & Peters, P.A. lawyer (952-896-1700), whether you can attend the session or not, if you have questions on EPLI coverage, or if you would like to discuss this program without obligation and obtain a free review of your current insurance coverage.

<b><i>FREE SEMINAR</i></b>	<b>SEATON, BECK &amp; PETERS, P.A.</b> <i>Practice dedicated to advising and representing employers in labor and employment law matters</i>
Please join us for a free Breakfast Briefing on <i>Managing the Risk of Employment and Labor Lawsuits, Claims and Charges: Are You Well Insured, Under Insured or "Going Naked?"</i> which will be presented by Douglas P. Seaton of Seaton, Beck & Peters, P.A. and Richard Gibson of Genesis Insurance Co. at the Wyndham Hotel, on the north I-494 frontage road/78 <sup>th</sup> Street, between France Ave. and Highway 100, Bloomington, Minnesota, from 7:30 a.m. to 9:45 a.m. on Thursday, September 12, 2002. Please register now with Sue Nesheim at <b>952-896-1700</b> (phone), <b>952-896-1704</b> (fax), form attached, or <a href="mailto:firm@seatonlaw.com">firm@seatonlaw.com</a> (email).	Barak J. Babcock Alec J. Beck John F. Bowen Marc T. Chrismer Robin N. Kelleher Elizabeth M. McDowell Gregory L. Peters Douglas P. Seaton Gregory P. Wilken Robert L. Grossman, of counsel  Suite 320 7301 Ohms Lane Edina, MN 55439  Tel: 952-896-1700 Fax: 952-896-1704 <a href="mailto:Firm@seatonlaw.com">Firm@seatonlaw.com</a> <a href="http://www.seatonlaw.com">www.seatonlaw.com</a>  The Upper Midwest's premier management Labor and employment law firm

This communication is intended for general informational purposes only and is not intended to constitute legal advice with respect to any individual facts or circumstances. You are urged to consult with one of our attorneys regarding your own situation and your specific question. We would be happy to help!

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**The Seaton, Beck & Peters *LawFax*:  
By Fax, Email or "None of the Above?"**

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