

# THIRD-PARTY LIABILITY



## THERE FOR YOU WHEN CUSTOMERS OR CLIENTS FEEL DISCRIMINATED AGAINST

Every employee interaction with a customer or client can be the source of a third-party lawsuit. As points and opportunities for interaction increase, so does the chance of a lawsuit. Here are a few real life examples of “third party” liability facing all different types of businesses today:

- **Restaurant** is sued for religious and national origin discrimination when waiter refused to serve customers with head scarves.
- **Golf Club** is sued for race discrimination by African-American applicants denied membership.
- **Professional Firm** is sued by client claiming that accountant sexually harassed her.
- **Retailer** is sued by customer when employee refused to serve customer with physical disability.
- **Coffee Shop** is sued by deaf customers alleging they were mocked by counter workers.
- **Inn** is sued when handicapped patrons were unable to access all facilities.

Each and every employee can be the source of a lawsuit by a customer or client who believes that their rights were violated. This coverage is important for all businesses and essential for companies that interact with the public – retailers, restaurants, services, agents, health care.... even contractors and professional firms.

Are you confident that employees are treating customers and clients properly in all their interactions? It might be time to consider adding Third-Party Liability protection to your EPLI policy.

## Claim Detail: Store Pays For Employee's Discrimination

A disabled teen and her older sister were shopping for clothing in the defendant's store. When the older sister asked to accompany her sibling to the dressing room, the sales clerk refused and cited a policy mandating only one person to a fitting room at any time. The older sister explained the disability and need for accommodation, but the sales clerk offered no assistance or flexibility. The teen's mother filed a complaint with the state Department of Human Rights, which investigated and sued the retailer for violations of the state anti-discrimination statute.

**Outcome:** \$115,000 in damages for emotional distress, attorney fees, expenses and fines, with orders to increase disability training and post appropriate signs in the store.

## GETTING PROTECTION

Ask about adding valuable Third-Party Liability protection to your Employment Practices Liability Insurance policy. For eligible policies with limits of \$100,000 or less, no application is required.





# EPLI COVERAGE

*With Third-Party Liability*

If a business is sued by an *employee* for discrimination or harassment, our EPLI policy provides a defense for them and financial protection. What if an employee harasses or discriminates against a customer or client? This is when a business needs “Third-Party Liability” coverage.



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