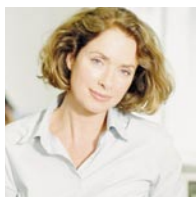




Agriculture

The claimant, a receptionist at a seed company, alleged she was sexually harassed by her boss. Other employees confirmed the boss had a tendency to make inappropriate and lewd remarks. After complaining about the alleged harassment, she was moved to a less desirable position and ultimately terminated. She filed suit alleging sexual harassment and retaliation. Travelers paid \$200,000 to settle the case, but only after paying \$50,000 in defense expenses.



Telecom

A civil complaint was filed against the Insured by the Equal Employment Opportunity Commission on behalf of four former employees of the Insured. The Equal Employment Opportunity Commission found each party's charge credible. Specifically, the claimants alleged that they were retaliated against and/or demoted for reporting, protesting and/or objecting to discriminatory treatment. In addition, one claimant alleges her disability was the subject of inappropriate jokes and conversations. After Travelers spent over \$50,000 in legal fees, Travelers paid \$235,000 to settle the case.

The claimant, the Insured's chief business officer, asserted claims for discrimination, fraud, misrepresentation, breach and failure to pay wages against the insured organization. Specifically, the plaintiff alleged that the Insured breached her employment agreement, misled her regarding the financial condition of the company and created a hostile work environment by actions such as taking clients to strip clubs. Travelers paid \$350,000 of the \$475,000 settlement.



Business Services

The Insured, a regional express package delivery service, faced a lawsuit by three former employees alleging discrimination and wrongful termination. Although there were differences in each of the plaintiffs' allegations, the claims all arose out of discrimination based on sexual orientation, marital status and religion. In addition to claiming wrongful termination based on discrimination, two of the three plaintiffs alleged that their terminations were related to complaints about failure to pay overtime. The third employee claimed she was terminated after complaining that two employees were being treated differently regarding their sick leave. After defending the case for a cost in excess of \$100,000, Travelers settled the case for \$575,000.

The Insured is a small advertising agency. The Insured was sued for sex discrimination, age discrimination, and retaliation. The plaintiff alleges that she (as president of the agency) and the CEO engaged in a consensual affair. The CEO passed away and his widow became Chairperson of the Board. The plaintiff claims she was wrongfully terminated when the affair was discovered after the CEO's death. The Insured contends there were performance and trust issues associated with the plaintiff's employment at the agency. The Insured prevailed on summary adjudication, but more than \$250,000 was spent by Travelers defending the case and subsequent appeal.



Technology

In 2004, the plaintiff, a graphic designer hired in 2001, resigned her employment claiming that she had been subjected to sexual harassment and gender discrimination. Specifically, she named four managers/directors of the Insured as wrongdoers. The Insured performed a thorough investigation and terminated three of the four people involved, but the evidence collected showed a long series of sexually explicit emails, jokes and comments in the workplace. The claimant was making \$45,000 per year. Travelers paid \$50,000 to defend the case before settling for \$237,500.

This Insured, a Japanese owned technology company doing business in the United States, was sued by a former employee. The plaintiff alleged that he was hired to be the VP of Sales and Marketing and entered into a written contract for such a position. He claimed that items which were promised to him were taken away (i.e., secretary, car allowance, staff levels, etc.) and that he was wrongfully terminated in June 2003 when he allegedly failed to meet sales targets. The plaintiff brought various breach of contract claims seeking to recover contractual benefits, punitive damages, interest and fees. After numerous failed mediations, the matter settled for \$200,000 with \$65,000 spent on the defense. Travelers contributed a portion of the settlement and paid for the legal fees.



Manufacturing

The Insured operates a bulk food packaging business. The claimant, a line worker, filed a charge with the Equal Employment Opportunity Commission for sexual harassment and discrimination. The charge developed into a class action suit brought against the Insured directly by the Equal Employment and Opportunity Commission claiming that the insured had a pattern and practice of failing to respond to claims of harassment and discrimination. Travelers settled the case for \$350,000 after spending over \$100,000 in legal fees.

The Insured, a Southern manufacturer, was sued by a former employee. The plaintiff was a twenty-year employee who claimed that his employment was terminated without warning following a vacation and subsequent illness. The plaintiff further claimed that the co-defendant's favoritism of Caucasians and dislike of Asians was a reason for his termination. Finally, the plaintiff laid out allegations that the Insured had swindled its customers by substituting inferior materials for those called for in customers' specifications, misstating shipping weights on material sent to customers, and placing new logos on old products. Defense costs paid by Travelers neared \$150,000 before Travelers paid \$200,000 to settle the case.



Transportation

A former employee of the Insured claimed she was subjected to sexual harassment, discrimination and retaliation. Subsequent to complaints to human resources that her manager had verbally harassed her on a number of occasions and had touched her inappropriately on two or three occasions, she claims she was retaliated against and terminated. The claimant asserted causes of action for sex harassment, retaliation, wrongful termination in violation of public policy, intentional infliction of emotional distress, negligent infliction of emotional distress and tortious assault. After Travelers spent over \$225,000 to defend the claim and Travelers paid \$550,000 in settlement costs.

The plaintiff alleged that the Insured discriminated against him on the basis of his age and disability. The plaintiff further alleged that he was terminated in retaliation for filing a workers compensation claim and for complaining about discrimination. The defendant contended that the plaintiff was not able to perform the essential functions of the job and that he was discharged for legitimate, nondiscriminatory and non-retaliatory reasons. Travelers spent in excess of \$175,000 defending the case and paid \$142,500 in settlement costs.



Retail

The Insured owns and operates a franchise location of a "bar and grill" restaurant. The plaintiff claims that she patronized the Insured's restaurant and completed an application for employment. She claims that while she was at the restaurant, and after completing her application, she was harassed, drugged, assaulted and sexually attacked by the employees and managers of the restaurant. Further investigation of the matter showed that after drinking for several hours, the plaintiff decided to apply for a position and that she was the instigator of the sexual activity that occurred. The matter was tried in front of a jury who came back with a verdict in favor of the Insured. Legal fees paid by Travelers exceeded \$350,000.*

This matter involved class action wage and hour claims against an Insured, a contractor. Plaintiffs asserted causes of action for overtime wages and retaliation. The plaintiffs included all employees who had worked in excess of 40 hours in a work week at any time during the past 3 years. Although Travelers did not pay for the settlement associated with the overtime wage claims, \$750,000 was spent by Travelers in connection with the defense of the claim.

**The Wrap+ Employment Practices Liability Coverage Part includes optional Third Party Liability Coverage. In addition, claims can be brought by employees, former employees, or applicants for employment.*



The Travelers Indemnity Company
and its property casualty affiliates
One Tower Square
Hartford, CT 06183

travelersbond.com

This material does not amend, or otherwise affect, the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced in this document can depend on underwriting qualifications and state regulations.

© 2007 The Travelers Companies, Inc. All rights reserved. 59113 New 11-07