

# Sample EPL Claims

(The following examples are for illustrative purposes only.)

## **Hostile Work Environment:**

A service company receives a formal complaint from an employee alleging that he was subjected to a hostile work environment and sexual orientation discrimination during his employment. The plaintiff alleges his supervisor made hostile comments about gay people. The plaintiff contends that his supervisor reduced his stock options and sales territory and was treated in a hostile manner during sales meetings. The plaintiff reported these incidents to the President, but that person refused to look into the matter and take any action. The plaintiff was constructively discharged immediately after he complained. The plaintiff alleges six causes of action: hostile work environment, discrimination based on sexual orientation, retaliation, intentional infliction of emotional distress, failure to pay commission and wages, defamation and negligent training and supervision.

The defense and settlement of this case exceeded \$300,000.

## **Defamation:**

The plaintiff alleges that her prior company has taken steps to damage her reputation and improperly interfered with her ability to obtain other employment. In particular, the plaintiff alleges that the company spoke with several competitors and disclosed the reasons for her termination. The complaint is comprised of several causes of action, including: tortious interference; defamation and wrongful interference with the plaintiffs' livelihood and reputation; and violation of privacy.

The plaintiff agreed to settle out of court for \$125,000 and defense costs exceeded \$25,000.

## **Illegal Employment Practices:**

An employee of a small publishing company filed a charge with the EEOC against her former employer. The claimant alleges that she resigned from her position as office manager because the company engaged in illegal employment practices which made her work environment intolerable. She alleges that the company refused to hire or even consider males for the receptionist position. The claimant also alleges that the owner made degrading comments to a male employee that sat at the receptionist's desk. The claimant alleges she has been discriminated against on the basis of her gender.

Although the parties settled out of court, the total cost of this claim was in excess of \$100,000.

## **Discrimination Based on Disability:**

The plaintiff in this case was terminated while out on medical leave due to an injury that occurred at work. The plaintiff asserts that he was the victim of numerous discriminatory and harassing actions and remarks regarding his disability. The plaintiff alleges he was advised that if he filed a workers' compensation claim, he would be terminated. The plaintiff was, in fact, terminated without disability benefits after he filed a workers' compensation claim. The complaint was comprised of three causes of action; including: discrimination based on physical disability; tortious termination; and specific violation of state laws.

The defense and settlement exceeded \$75,000.

**Wrongful Termination in Violation of Public Policy:**

An employee is fired two hours after he informed his supervisor that he was just involved in a car accident and would not be able to report to work and perform his job. The employee was informed that he was being fired because of a slow down in business. The claimant filed a charge against the company with the EEOC. The claimant asserts that the explanation of his termination was false and he was terminated because of his national origin and his disability.

The complaint was comprised of two causes of action for wrongful termination in violation of public policy and state code; and discrimination.

Although this matter settled out of court, the defense cost and settlement payments exceeded \$25,000.

**Sexual Harassment/Retaliation:**

A female employee working for a service company alleges that several employees made inappropriate sexual comments towards her, including suggestions that she was having a sexual relationship with another employee. In addition, she also alleges that her boss and co-workers asked her inappropriate questions concerning her personal life. The plaintiff alleges that after she complained, her manager engaged in a practice of retaliation. She contends that she was excluded from certain meetings, taken off certain projects and assignments, treated rudely and received a negative evaluation.

The parties participated in non-binding arbitration and consented to a settlement of \$250,000.

**Wrongful Termination:**

An executive of a manufacturing company files suit against the company for wrongful termination and intentional infliction of emotional distress. The plaintiff, a former Chief Operating Officer, makes statements that the company improperly failed to pay an employee overtime and terminated the employee for filing a complaint. The plaintiff alleges that although the company advised him that his termination was due to performance problems, he was actually terminated in retaliation for his honest statements he made in connection with a fellow employee's termination.

Total defense costs and settlement exceeded \$750,000.

**Intentional Misrepresentation:**

An employee is given a percentage of the partnership in an effort to convince him to stay with the company. Subsequently, the employee demands for a distribution of the partnership's profits and is told that there are no profits. The employee then asks for a bonus based on his partnership shares and is told since he does not share in the "financial risk" that he is not entitled to a bonus. The employee asserts causes of action for: (1) intentional misrepresentation; and (2) tortious breach of covenant of good faith and fair dealing.

Total defense costs and settlement exceed \$750,000.

