

Claims Scenarios



1 A rival company filed a suit against an insured company, and its new employee, over misappropriation of trade secrets and breach of duty of loyalty. The employee was previously employed at the rival company, which claimed theft of information worth over \$15 million. The insured company had Directors & Officers insurance so Hiscox defended the employee and resolved the claim on behalf of the insured company, costing it less than \$200,000.



2 Employees of an insured company filed several claims alleging that it failed to pay matching contributions to an employee retirement plan. Approximately 50 employee accounts were impacted, with claimed damages around \$1 million. The insured company had Directors & Officers insurance so Hiscox defended the insured company and resolved the claims, costing the insured company \$100,000.



3 A rail car manufacturer laid off nearly half of the workforce following the unexpected loss of a significant contract. Nearly 50 employees filed separate suits alleging wrongful termination and various types of discrimination. The insured company had Employment Practices Liability insurance, so it was able to retain a strong defense team and has spent \$200,000 to date on defense costs.



4 A small non-profit and its entire Board of Directors faced injunctive relief over a claim alleging breach of fiduciary duty. The insured company had Fiduciary Liability insurance, so Hiscox provided immediate defense for the insured company, and was able to prevent a restraint order. The insured company was able to settle the claim for a nominal amount.

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