

Technology Firms: What Could Go Wrong?

A former employee sent a demand letter alleging wrongful termination, retaliation and defamation in violation of labor codes. Specifically, the claimant was hired pursuant to a written employment agreement.

The claimant alleges that, despite receiving a positive performance review and being told she would receive a raise and retroactive pay, the company did not pay her. Upon making a formal complaint to management, the claimant alleges she was wrongfully terminated and escorted off the property by security. Defense costs were **\$10,037** and the settlement was **\$27,500**.

A former employee filed a disability and race discrimination EEOC charge. The charge was filed after the insured terminated the employee for poor performance three days after the employee requested a medical leave. Due to serious timing issues and a lack of documentation relating to the alleged poor performance, the matter settled for **\$42,500**, with an additional **\$13,000** in defense costs.

A former employee filed an administrative charge for alleged sexual harassment and retaliation. The administrative agency found cause due to multiple employees corroborating the allegations and asserting similar allegations of harassment against the CEO for regular hugs and sexually suggestive comments. The matter settled for **\$20,000**, with an additional **\$32,000** in defense costs.

A database management firm was named in an EEOC charge for wrongful termination by a former employee. The firm and the former employee were unable to resolve the matter at mediation because of the employee's extremely high demands. More than **\$130,000** was spent in defense costs before the matter settled for **\$285,000**.

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*AM Best rating affirmed December 3, 2021

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