

Member Argo Group

# EMPLOYMENT PRACTICES LIABILITY INSURANCE MAINFORM APPLICATION

THIS IS AN APPLICATION FOR A POLICY THAT IS WRITTEN ON A CLAIMS-MADE BASIS AND COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF EXERCISED. CLAIMS MUST BE REPORTED IN ACCORDANCE WITH THE REPORTING PROVISIONS OF THIS POLICY. THE WRITTEN STATEMENTS AND REPRESENTATIONS MADE IN THIS APPLICATION AND ANY MATERIALS OR INFORMATION SUBMITTED WITH THIS APPLICATION ARE INCORPORATED INTO, AND SHALL FORM THE BASIS OF, ANY POLICY OF INSURANCE ISSUED BY THE INSURER.

IF A POLICY IS ISSUED, COVERED DEFENSE COSTS AND OTHER EXPENSES SHALL REDUCE THE POLICY'S LIMIT OF LIABILITY AND SHALL BE SUBJECT TO THE POLICY'S RETENTION PROVISIONS.

Please answer all questions completely and submit the requested information and/or documentation. Bold-faced terms within this **Application** that are defined in the **Insurer's** current standard Employment Practices Insurance Policy form shall have the same meaning in this **Application**. The **Insurer** will hold this **Application** (and all materials submitted herewith) in confidence.

## A. GENERAL INFORMATION

	Proposed Policyholder: Address: City:		er-
			State: Zip Code:
	We	ebsite:	
			rporation/Formation:
	Sta	ate of Inco	rporation/Formation:
В.		LIMITS (	OF LIABILITY AND RETENTION REQUESTED
	1.	Limits of	Liability:
		a.	Maximum Aggregate Limit of Liability: \$
		b.	Sub-Limit of Liability for all Loss for Third Party Wrongful Act Coverage under Insuring
			Agreement B. \$
		C.	Sub-Limit of Liability for all Sensitivity Training Costs \$
	2.	Retentio	n:
		\$	each Claim under Insuring Agreement A. (Employment Practices Wrongful Act Coverage)
		\$	each Claim under Insuring Agreement B (Third Party Wrongful Act Coverage)

## C. <u>CURRENT INSURANCE INFORMATION</u>

1. Please provide the following information regarding the **Company's** current insurance coverage:

	Limits	Policy Period	Premium
Employment Practices Liability			
	\$		\$
Directors &Officers Liability (including Side A only and Side A DIC only)	\$		\$

OI	nly and Side A DIC only)		\$			\$	
2.	2. Has any directors and officers liability policy, employment practices liability policy, fiduciary insurance policy other management liability policy or bond issued to or for the benefit of the <b>Company</b> , or any application for any of the foregoing coverages, ever been declined cancelled or refused renewal or has the <b>Company</b> ever received a request that any application for a bond or any insurance for any person or entity proposed for insurance be withdrawn? (Missouri applicants need not reply).						n for ever
	☐ Yes ☐No						
If t	he response is Yes to question 2.	above, p	lease provide det	ails.			
	<b>COMPANY INFORMATION</b>						
		CUF	RRENT FISCAL YE		Р	RIOR FISCAL YEAR	
	Total revenue						
	Total assets						
	Total Liabilities						
	Net Income (Loss)						
	Total Equity						
	In the next twelve (12) months, does the <b>Company</b> contemplate or anticipate:  a. Any <b>Employee</b> layoffs or early retirement program or any reduction in the number of active <b>Employees</b> of more than 2% from the current total?						
	b. Any merger, consolidation, acquisition, divestiture, tender offer or public offering of securities?  ☐ Yes ☐ No						10
	c. Any restatement of financial statements?						10
	d. Any liquidation or reorganization with creditors under federal or state law?						10
	If the response is Yes to any part of the question above, please provide details.						
	WORKFORCE INFORMATION (Responses to encompass information for the Company, including all Subsidiaries)						
1.	Total number of <b>Employees</b>					-	
2.	. Break down of <b>Employees</b> :						
	Type of <b>Employee</b>	Current	total number		Total n	umber one year ago	
	Domestic (Full Time)						
	Domestic (Part time, seasonal, temporary and or volunteers)						
	Foreign (ROW- Full time and part						
	time)						

3. Total number of **Employees** located in the following jurisdictions:

Independent Contractors
Leased **Employees** 

D.

E.

F.

		∟mpioyees	5			
California						
Michigan						
Florida	Florida					
New Jerse	New Jersey					
Michigan						
	Texas					
District of 0	Columbia					
New York	Joidifibia					
New TOIK						
b. A	ercentage of <b>Emp</b> lere any collective be newal in the next	argaining a	greements pe	rtaining to union	 ized <b>Employees</b> con	ning up for
		don Ab		tala alata	·-	
_	onse is Yes to qu	iestion 4.b	above, pleas	se provide detai	ils.	
	turnover rate:					
С	urrent Fiscal Year			Prior Fiscal Yea	r:	
6. Percentage	e of <b>Employees</b> ea	arning:				
	ensation		Percent (%)	of Employees		
Less t	nan \$50,000					
\$50,00	00 to \$100,000					
\$100,0	001 to \$250,000					
Greate	er than \$250,000					
HUMAN R	ESOURCE PRAC	CTICES AN	D POLICIES:			
	company have one			☐ Yes	☐ No	
resource p	rofessionals or per	rsonnel dep	partment?			
Doos the C	'empeny boyo on	amplayaa	handhaal ar	□ Voo	ПМо	
	company have an		nandbook of	☐ Yes	☐ No	
guidelines	guidelines on employee conduct?  Is the handbook or guidelines given to the  Employees and must Employees certify receipt of such document(s)?					
la tha hana						
				☐ Yes	☐ No	
			y receipt of			
such docur	nent(s)?					
5 "						
	ompany provide			☐ Yes	☐ No	
	mployees relating to Internet use and Social etworking use while on Company time or while					
Networking						
	pany equipment?					
Does the C	company require a	annual writt	en	☐ Yes	☐ No	
performand	ce reviews for all E	imployees	?			
Does the C	omnany maintain	nrocoduro	e for		Пио	
	Does the Company maintain procedures for imployees to file complaints?		☐ Yes	☐ No		
Employee	s to file complaints	) (				

Percent of Total Employees

Jurisdiction

G.

Harassment?	☐ Yes ☐ No  If Yes, how often are such seminars held?
Does the <b>Company</b> provide <b>Employees</b> with training on the Fair Labor Standards Act?	☐ Yes ☐ No If Yes, how often are such seminars held?
Does the <b>Company</b> provide <b>Employees</b> with training regarding the economic and trade sanctions administered by the Office of Foreign Assets Control?	☐ Yes ☐ No If Yes, how often are such seminars held?
Does the <b>Company</b> require all <b>Employee</b> terminations to be reviewed with human resources personnel and either in house or outside counsel?	☐ Yes ☐ No
Is the <b>Company</b> a contractor with the federal	☐ Yes ☐ No
government?	If Yes, please provide copies of the Com
	affirmative action plan and the results
	OFCCP audit.
	☐ Yes ☐ No
Does the Company in writing advise all Employees and applicants for employment that employment is "At Will"?  THIRD PARTY LIABILITY (complete should Third Pages the Company have written procedures and	arty Wrongful Act Coverage be requested)  □ Yes □ No
and applicants for employment that employment is "At Will"?  THIRD PARTY LIABILITY (complete should Third P	
and applicants for employment that employment is "At Will"?  THIRD PARTY LIABILITY (complete should Third P  Does the Company have written procedures and policies in place that govern Employee behavior when dealing with individuals outside the	

# **CLAIMS EXPERIENCE AND POTENTIAL EXPOSURES** 1. In the past three years has there been any lawsuit or administrative or grievance proceeding brought against, or investigation of, any person or entity proposed for insurance that relate to an Employment Practices Wrongful Act. ☐ Yes ☐ No In the past three years has there been any lawsuit or administrative or grievance proceeding brought against, or investigation of, any person or entity proposed for insurance that relate to a Third Party Wrongful Act? Yes ☐ No (Reply to 1 b. only if Third Party Wrongful Act Coverage is requested.) If the response is Yes to question 1.a or 1.b above, please provide details of all such matters. 2. Does any person or entity proposed for insurance have knowledge or information of any act, error, omission, fact or circumstance which may reasonably be expected to give rise to a Claim against any such person or entity for an **Employment Practices Wrongful Act**? ☐ Yes ☐ No Does any person or entity proposed for insurance have knowledge or information of any act, error, omission, fact or circumstance which may reasonably be expected to give rise to a Claim against any (Reply to 2.b. only if **Third Party Wrongful Act Coverage** is requested.) If the response is Yes to question 2.a or 2.b above, please provide details. 3. In the past three years, has any person or entity proposed for insurance given notice of any claim or circumstance that may give rise to a claim under any directors and officers liability, employment practices liability, fiduciary or other management liability policy? ☐ Yes ☐ No If the response is yes to question 3 above, please provide details. It is understood and agreed that, without limiting any rights of the Insurer, if any such lawsuit, administrative or grievance proceeding, notice, knowledge or information exists in response to any question in Section J. above, any Claim arising there from shall be excluded from the proposed insurance.

## K. ADDITIONAL INFORMATION REQUESTED

In addition to the materials requested above, the please submit the following material must be attached to this signed and dated application.

- 1. Copies of the latest annual report and audited financial statement for the Company.
- 2. Employee Handbook and Guidelines
- 3. Human Resource Policies and Procedures
- 4. Most recent EEOC-1 report(s) for the Company.

### L. REPRESENTATIONS

J

The undersigned authorized officer of the Proposed Policyholder declares on behalf of the proposed Policyholder and all persons and entities proposed for insurance that the statements set forth in this Application are true. It is understood that the accurateness and completeness of the statements in this Application, including material submitted to the Insurer, are relied upon by the Insurer, and shall be the basis of the policy of insurance, if issued, and shall be deemed incorporated herein.

The undersigned officer of the Proposed Policyholder agrees that if the information supplied on this Application changes between the date of this Application and the effective date of the insurance that he/she

will immediately notify the Insurer of such changes, and the Insurer may withdraw or modify any outstanding quotations or authorizations or agreements to bind the insurance.

Signing this **Application** does not bind the applicant or the **Insurer** to issue an insurance policy, but it is agreed that this **Application** shall be the basis of the contract should a policy be issued, and it will be attached to and become part of the Policy.

### FRAUD PREVENTION WARNINGS

**NOTICE**: ANY PERSON WHO KNOWINGLY, OR KNOWINGLY ASSISTS ANOTHER, FILES AN APPLICATION FOR INSURANCE OR CLAIM CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD AN INSURANCE COMPANY MAY BE GUILTY OF A CRIME AND MAY BE SUBJECT TO CRIMINAL AND CIVIL PENALTIES AND LOSS OF INSURANCE BENEFITS.

**NOTICE TO ARKANSAS APPLICANTS**: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT, OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

NOTICE TO COLORADO APPLICANTS: IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FOR INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

NOTICE TO FLORIDA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURANCE COMPANY FILES A STATEMENT OF CLAIM OR APPLICATION CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

**NOTICE TO HAWAII APPLICANTS**: FOR YOUR PROTECTION, HAWAII LAW REQUIRES YOU TO BE INFORMED THAT PRESENTING A FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT IS A CRIME PUNISHABLE BY FINES OR IMPRISONMENT, OR BOTH.

NOTICE TO KENTUCKY APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

NOTICE TO LOUISIANA APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**NOTICE TO MAINE APPLICANTS**: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

NOTICE TO MARYLAND APPLICANTS: ANY PERSON WHO KNOWINGLY AND WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY AND AG ML 4004 EP (11/10)

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WILLFULLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

NOTICE TO NEW JERSEY APPLICANTS: ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO NEW MEXICO APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

**NOTICE TO OHIO APPLICANTS**: ANY PERSON WHO, WITH INTENT TO DEFRAUD KNOWINGLY THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

NOTICE TO OREGON APPLICANTS: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS A APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

NOTICE TO PENNSYLVANIA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY FACT MATERIALLY FALSE INFORMATION OR CONCEAL FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO PUERTO RICO APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH THE INTENTION TO DEFRAUD INCLUDES FALSE INFORMATION IN AN APPLICATION FOR INSURANCE OR FILE, ASSIST OR ABET IN THE FILING OF A FRAUDULENT CLAIM TO OBTAIN PAYMENT OF A LOSS OR OTHER BENEFIT, OR FILES MORE THAN ONE CLAIM FOR THE SAME LOSS OR DAMAGE, COMMITS A FELONY AND IF FOUND GUILTY SHALL BE PUNISHED FOR EACH VIOLATION WITH A FINE OF NO LESS THAN FIVE THOUSANDS DOLLARS (\$5,000), NOT TO EXCEED TEN THOUSANDS DOLLARS (\$10,000); OR IMPRISONED FOR A FIXED TERM OF THREE (3) YEARS, OR BOTH. IF AGGRAVATING CIRCUMSTANCES EXIST, THE FIXED JAIL TERM MAY BE INCREASED TO A MAXIMUM OF FIVE (5) YEARS; AND IF MITIGATING CIRCUMSTANCES ARE PRESENT, THE JAIL TERM MAY BE REDUCED TO A MINIMUM OF TWO (2) YEARS.

**NOTICE TO TENNESSEE APPLICANTS**: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

NOTICE TO TEXAS APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

**NOTICE TO VIRGINIA APPLICANTS**: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

NOTICE TO WASHINGTON APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

**NOTICE TO WEST VIRGINIA APPLICANTS**: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

NOTICE TO NEW YORK APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD

ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

SIGNED:	DATE:
PRINTED NAME:	TITLE:
	orida, please provide the Insurance Agent's name and license
	completed in lowa, please provide the Insurance Agent's name lampshire, please provide the Insurance Agent's signature.
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PRODUCER (Insurance Agent or Broker)	INSURANCE AGENCY OR BROKERAGE
INSURANCE AGENCY TAXPAYER I.D.	AGENT OR BROKER LICENSE NO.
ADDRESS OF AGENT OR BROKER (Include Stre	eet City and Zin Code)
ADDITION OF MOLITY ON BROKER (INClude Out	cot, ony and zip doddy
E-MAIL ADDRESS OF AGENT OR BROKER	
SUBMITTED BY (Insurance Agency)	INSURANCE AGENCY TAXPAYER I.D.
,,	
ADDRESS OF AGENT OR BROKER (Include Str	l eet, City and Zip Code)
( 11000 011	