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Producer: _____

Address: _____

Telephone: _____

Fax: _____

Email: _____

Effective Date: _____

Expiration Date: _____

Provide Current Policy No.: _____

IMPORTANT - TO BE COMPLETED BY PRODUCER WHO WILL HANDLE THE SURPLUS LINES TRANSACTION(S). Resident or Non-Resident Surplus Lines Licensee Information for Applicant's State of Domicile:

SL License State: _____

SL License No.: _____

SL License Expiration Date: _____

SL Licensee Name: _____

Affiliation with Producer (e.g., Owner, Executive Officer, Employee): _____

SL Licensee Agency Name (if Entity License): _____

LIMITS OF EMPLOYMENT PRACTICES LIABILITY REQUESTED

Options for liability limits: \$1,000,000, \$2,000,000, \$3,000,000, \$4,000,000, \$5,000,000

DEDUCTIBLE LIMIT REQUESTED

Options for deductible limits: \$5,000, \$10,000, \$15,000, \$20,000, \$25,000, OTHER

TYPE OF POLICY LIMIT AND COVERAGE REQUESTED

Options for policy type: Stand Alone Employment Practices, Shared Limit with Directors and Officers, Separate Limit with Directors and Officers

RENEWAL APPLICATION FOR EMPLOYMENT PRACTICES LIABILITY INSURANCE

Instructions to the Applicant:

- 1. Please answer all questions completely. Your answers will be used to make important underwriting and pricing decisions and are considered legally material to all decisions made by us.
2. The application and any supplemental documents must be signed and dated by an authorized person of the prospective applicant to be insured.
3. Please attach any consolidated EEO1 Report for any applicant with more than 100 employees.
4. Please attach your most recent financial statements.

Important to Note: This is an application for a Claims Made and Reported Policy and subject to all Policy Provisions. It will apply only to Claims Made within the policy period and reported as soon as practicable subject to any extended reporting period, if applicable. The Limit of Liability available to pay settlements; judgments and or pay damages shall be reduced by the amount of Defense Costs incurred.

GENERAL INFORMATION

1. Applicant Name: _____
2. Individual Partnership Corporation Privately Held Not-for-Profit
Publicly Traded Other SIC Code or NAIC Code (if known) _____
3. Principal Business Address: _____
City: _____ State _____ Zip: _____
4. Website address: _____
5. Name of Risk Manager or Officer designated as Applicant Contact:

6. Date Established _____
7. Nature of Operations _____
8. Is the applicant owned, controlled, affiliated, or associated with any other entity? **YES** **NO** If yes, please explain:

Does the applicant have any franchise operations? **YES** **NO**

If yes, how many franchise units do you have and where are they located (city, state)?

9. What are the applicant's Assets and Liabilities? Assets \$ _____ Liabilities \$ _____
What are the applicant's Gross Revenues? \$ _____

INSURANCE HISTORY

10. Please provide the following information as respects prior EMPLOYMENT PRACTICES LIABILITY insurance coverage during the last 3 years: (If occurrence coverage, please indicate under retro date.)

INSURANCE COMPANY	POLICY TERM	LIMIT OF INSURANCE	DEDUCTIBLE AMOUNT	PREMIUM AMOUNT	RETRO DATE

11. If comprehensive general liability coverage is maintained, please indicate as follows:
INSURANCE COMPANY _____ POLICY TERM _____ INSURANCE LIMIT _____ PREMIUM _____
12. If Directors and Officers coverage is maintained, please indicate as follows:
INSURANCE COMPANY _____ POLICY TERM _____ INSURANCE LIMIT _____ PREMIUM _____
13. If Errors and Omissions coverage is maintained; please indicate as follows:
INSURANCE COMPANY _____ POLICY TERM _____ INSURANCE LIMIT _____ PREMIUM _____

If any of the above coverages are restricted, please explain:

14. Has any insurance ever been cancelled or declined? **YES** **NO** If yes, please explain.

Note: **Applicants in Missouri are not required to answer question 14.**

APPLICANT HISTORY

15. Have you acquired any companies over the past year? **YES** **NO**

If yes, were any employees terminated or are there plans to terminate them over the next 12 months? **YES** **NO**

16. Were there any significant changes in the nature or size of the applicant over the last 12 months? Have there been any layoffs? **YES** **NO**

If yes, please explain and advise as to the total number of employees affected; whether a severance and release was offered and obtained. Finally advise whether in-house legal counsel or outside legal counsel reviewed the layoffs and/or severance and release plan.

17. Are you aware of any reductions in force or layoffs contemplated to occur in the next year? **YES** **NO** If yes, please explain.

18. Enter total number of employees (by category) in the boxes below:

	Present Year	Last Year	Location (state)
Full Time/US Employees			
Part Time/US Employees			
Foreign Employees			
Independent Contractors			

19. Enter the number of employees in the specified states in the boxes below:

	California	Florida	Texas
Number of Full Time Employees			
Number of Part Time Employees			

20. Please provide the annual percentage of applicant's employee turnover for the past three years for the entire business.

Year _____ Year _____ Year _____
 _____% _____% _____%

Please provide the annual percentage of involuntary terminations for the past three years for the entire business.

Year _____ Year _____ Year _____
 _____% _____% _____%

21. Please indicate the applicant's percentage of employees' salaries:

- Less than \$20,000 _____ %
- \$20,001 through \$50,000 _____ %
- \$ 50,001 through \$75,000 _____ %
- \$75,001 through \$99,999 _____ %
- Greater than \$ 100,000 _____ %

22. Have there been any changes to the applicants exposure to Third Parties (including customers, clients, visitors) within the past year?

YES **NO**

If the answer is Yes, please explain.

23. Have there been any changes to the following information in regards to Human Resources policies and procedures within the past year? If yes, please provide details of the change or revision on a separate addendum as well as a copy of the revised document if applicable.

- HR management / staff? **YES** **NO**
- Employee handbook? **YES** **NO**
- ADA (disability) policy? **YES** **NO**
- Sexual harassment policy? **YES** **NO**
- Pregnancy leave policy? **YES** **NO**
- Non-discrimination policy? **YES** **NO**
- Medical leave and family leave policy? **YES** **NO**
- Employment Application? **YES** **NO**
- Performance reviews? **YES** **NO**
- Progressive discipline? **YES** **NO**
- Harassment, discrimination and retaliation training sessions for Managers / Employees? **YES** **NO**
- Drug testing? **YES** **NO**
- Criminal background checks on applicants / employees? **YES** **NO**
- Binding arbitration? **YES** **NO**

CLAIMS HISTORY

24. Since the last Employment Practices Liability Application received by CoverX, has there been any change in the status of any employment practices claim, suit, circumstance or allegation previously reported under an employment practices liability insurance application within the past three (3) years made to CoverX or any other employment practices liability insurance carrier?

YES **NO** If Yes, please provide details on a separate addendum and provide applicable updated loss runs for years not covered by CoverX.

Please list any additional information below:

It is agreed and understood that any policy issued shall not provide coverage for any claim, fact, or action arising from any alleged act, error or omission which may be afforded insurance or is now known by any person(s) or entity(ies) of the applicant. This exclusion from coverage set forth in the prior sentence includes any claim, fact or action under a policy currently in force whether or not disclosed in this application.

State Notices: The following notices are required by the Insurance Department of the indicated states.

WARNING: Any person who knowingly, and with intent to defraud any insurance company or other person, files an application for insurance containing any false information, or conceals for purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

AR 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.

AZ NOTICE TO ARIZONA APPLICANTS: For your protection Arizona law requires the following statement to appear on this form. "Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties."

CO 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 claiming 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.

DC 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.

FL NOTICE TO FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud, or deceive any insurance company files a statement of claim containing any false, incomplete or misleading information is guilty of a felony of the third degree.

HI 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.

KY 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.

LA 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.

ME 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 denial of insurance benefits.

MD 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 willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

- NJ 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.
- NM 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.
- OK 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.
- OR NOTICE TO OREGON APPLICANTS:** Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
- PA NOTICE TO PENNSYLVANIA APPLICANT:** 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 subjects such person to criminal and civil penalties.
- TN NOTICE TO TENNESSE 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.
- VA 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.
- WA 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.
- WV 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.
- NY 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.

SIGNATURES AND ACKNOWLEDGEMENTS:

THE UNDERSIGNED DECLARES THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF THE STATEMENTS SET FORTH HEREIN ARE TRUE. THE SIGNING OF THIS APPLICATION DOES NOT BIND THE UNDERSIGNED TO PURCHASE INSURANCE, NOR DOES REVIEW OF THE APPLICATION BIND THE INSURER TO ISSUE A POLICY. IT IS AGREED, HOWEVER, THAT THIS APPLICATION SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED AND IT WILL BE ATTACHED TO AND MADE A PART OF THE POLICY.

THE UNDERSIGNED AUTHORIZED OWNER, PARTNER, DIRECTOR OR OFFICER WARRANTS ON BEHALF OF THE NAMED INSURED AND ALL PERSONS / ENTITIES FOR WHOM INSURANCE IS BEING SOUGHT THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER DILIGENT INQUIRY, THE STATEMENTS SET FORTH HEREIN AND ATTACHED HERETO ARE TRUE. IT IS UNDERSTOOD THAT THE STATEMENTS IN THIS APPLICATION, INCLUDING MATERIALS SUBMITTED TO OR OBTAINED BY THE UNDERWRITER ARE MATERIAL TO THE ACCEPTANCE OF THE RISK, AND RELIED UPON BY THE UNDERWRITER.

THE APPLICANT REPRESENTS AND WARRANTS THAT THE INFORMATION PROVIDED IN THIS APPLICATION IS TRUE, CORRECT AND COMPLETE AND DOES NOT CONTAIN ANY UNTRUE STATEMENT OR OMIT INFORMATION NECESSARY TO MAKE THE INFORMATION PROVIDED HEREIN NOT MISLEADING. THE APPLICANT FURTHER CONVENANTS AND AGREES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE TIME WHEN THE POLICY IS ISSUED, THE APPLICANT WILL IMMEDIATELY NOTIFY THE INSURER OF SUCH CHANGES AND THE INSURER MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATIONS OR AGREEMENTS TO BIND THIS COVERAGE.

SIGNED BY: (Must be signed by an Owner, Partner, Director or Officer of the Named Insured)

Applicant

Printed Name

Date:_____

CALIFORNIA NOTICE:

- 1. THE INSURANCE POLICY THAT YOU ARE APPLYING TO PURCHASE IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED “NONADMITTED” OR “SURPLUS LINE” INSURERS.**
- 2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT THAT APPLY TO CALIFORNIA LICENSED INSURERS.**
- 3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.**
- 4. CALIFORNIA MAINTAINS A LIST OF ELIGIBLE SURPLUS LINE INSURERS APPROVED BY THE INSURANCE COMMISSIONER. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST, OR VIEW THAT LIST AT THE INTERNET WEB SITE OF THE CALIFORNIA DEPARTMENT OF INSURANCE: www.insurance.ca.gov.**
- 5. FOR ADDITIONAL INFORMATION ABOUT THE INSURER YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR “SURPLUS LINE” BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE, AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER: 1-800-927-4357.**
- 6. IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY YOU HAVE PURCHASED BE BOUND IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OR RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE, THE PREMIUM WILL BE PRORATED AND ANY BROKER’S FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.**

Date: _____

Insured: _____

SF 198230.2 73670 00741 D-1 (Effective January 1, 2009)