

NOTICE: THE POLICY FOR WHICH APPLICATION IS MADE APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" AND REPORTED TO THE COMPANY DURING THE "POLICY PERIOD" OR WITHIN SIXTY DAYS AFTER THE EXPIRATION OF THE "POLICY PERIOD", UNLESS THE EXTENDED REPORTING PERIOD IS EXERCISED. THE LIMITS OF LIABILITY SHALL BE REDUCED BY "CLAIM EXPENSES" AND "CLAIM EXPENSES" SHALL BE APPLIED AGAINST THE DEDUCTIBLE, UNLESS THE POLICY IS AMENDED BY ENDORSEMENT.

If space is insufficient to answer any question fully, attach a separate sheet.

I. GENERAL INFORMATION

1. (a) Full name of Applicant: _____
- (b) Principal business premise address: _____

(Street)
(County)

(City)
(State)
(Zip)
- (c) Website address: _____
- (d) (i) Date organized (MM/DD/YYYY): _____
- (ii) Have there been any changes in majority ownership since the date organized? ☐ Yes ☐ No
 If yes, provide the date Applicant began continuously operating under current ownership: _____
- (e) Type of organization (check one): ☐ corporation ☐ partnership ☐ joint venture ☐ sole proprietorship
☐ limited liability company ☐ limited partnership ☐ nonprofit ☐ public entity ☐ other _____
- (f) Full description of business operations: _____
- (g) If Applicant is a subsidiary, name of parent company: _____
- (h) Are any subsidiaries or affiliated companies also proposed as Applicants for this insurance? ... ☐ Yes ☐ No
 If Yes, provide the following for each subsidiary and affiliated company. **Attach a separate schedule if necessary.**

Name	Description of Operations	% of Ownership by Applicant or Affiliate	Date Acquired, Created, or Affiliated	Domicile State
- (i) Name, title, phone, fax and e-mail address of the person designated as the representative of the Applicant to give/receive notices to/from the Company on behalf of all persons and entities proposed for this insurance:

(Name)	(Title)	(Entity)
(Phone)	(Fax)	(E-Mail Address)

2. For all Applicants, provide the following information for all locations within each state. **Attach a separate schedule if necessary.**

Number of Directors, Officers, Partners and Employees			
<u>State</u>	<u>Number of Locations</u>	<u>Number of Full-time (regular, seasonal, temporary and leased)</u>	<u>Number of Part-Time (regular, seasonal, temporary and leased)</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

3. During the last twelve months, has any Applicant:
(If Yes, provide the number of full-time and part-time persons.)

Number of Persons
Full-time Part-time

- (a) used independent contractors that provide services on their behalf? [] Yes _____ [] No _____
- (b) used volunteers that provide services on their behalf? [] Yes _____ [] No _____
- (c) supervised workers other than their own employees? [] Yes _____ [] No _____

If Yes, to any of the above, provide details. _____

4. Provide the total number of employees:

- (a) Involuntarily terminated during the last twelve months: _____
- (b) Voluntarily terminated during the last twelve months: _____
- (c) Whose annual salaries exceed \$100,000: _____

5. Do all Applicants currently carry Employment Practices Liability Insurance? [] Yes [] No
If Yes, provide the following:

Name of Insurer	Limits	Policy Period	Deductible/Retention	Premium	Retro/Prior Acts Date
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6. During the last five years, have there been any charges filed with the EEOC or state agency against any Applicant at any location, whether filed by current employees, terminated employees or employees not hired? [] Yes [] No

If Yes, indicate the total number of charges (by primary allegation of each charge) for each of the last five years.

For each charge, attach a copy of the charges, the Applicant's response and the dismissal or status.

Primary Allegation	Year _____	Year _____	Year _____	Year _____	Year _____
(1) Gender Discrimination					
(2) Age Discrimination					
(3) Racial, Religious, Ethnic Discrimination					
(4) Other Discrimination					
(5) Violation of Fair Labor Standards					
(6) Sexual Harassment					
(7) Violation of American with Disabilities Act					
(8) All Others _____					

7. Have there been any been any litigated cases (including wrongful termination suits under state law alleging violations of laws other than anti-discrimination law) and EEOC or state agency charges over the last five years for which any settlement was or may be paid?[☐ Yes [☐ No

If Yes, provide the following information. **Attach a narrative with comparable information if necessary.**

Date of Suit/ Charge	Claimant	Primary Allegation (if applicable, use description from question 6)	Losses Paid	Losses Reserved	Legal Expense Paid	Legal Expense Reserved

8. Other than stated in questions 6 and 7, during the last five years, has (have) any judgment(s), settlement(s), payment(s), claim(s), suit(s) or demand(s) been made against any person(s) or entity(ies) proposed for this insurance, such as would fall under the proposed insurance?[☐ Yes [☐ No

If Yes, provide details. _____

9. Is (are) any person(s) or entity(ies) proposed for this insurance aware of any fact, circumstance or situation which might afford grounds for any claim, such as would fall under the proposed insurance?[☐ Yes [☐ No

If Yes, provide details. _____

10. Has any insurer declined, cancelled or nonrenewed any Employment Practice Liability Insurance Policy or any similar insurance on behalf of any person(s) or entity(ies) proposed for this insurance?[☐ Yes [☐ No

If Yes, provide details. _____

11. During the last three years has any Applicant been involved in, or are they presently considering or contemplating:

- (a) A change in the nature of business operations?[☐ Yes [☐ No
 (b) Any merger, consolidation or acquisition?[☐ Yes [☐ No
 (c) Any layoffs, staff reductions, early retirements or office or plant closings?[☐ Yes [☐ No
 (d) Opening any new locations?[☐ Yes [☐ No
 (e) Forming any new companies?[☐ Yes [☐ No

If Yes to any of the above, provide details. _____

12. Do all Applicants prominently display all of the proper notification posters required by the EEOC? [☐ Yes [☐ No

If No, explain.

13. (a) Name, title, phone, fax and e-mail address of the person who primarily handles the human resource and/or risk management duties for all Applicants:

(Name)

(Title)

(Entity)

(Phone)

(Fax)

(E-Mail Address)

- (b) Do all Applicants have a full-time human resource manager or department?[] Yes [] No
If No, how is this function handled?

14. Do all Applicants have a written:

- (a) progressive disciplinary program?[] Yes [] No
 (b) policy prohibiting discrimination?[] Yes [] No
 (c) policy prohibiting sexual harassment?[] Yes [] No
 (d) equal employment opportunity statement?[] Yes [] No
 (e) termination policy?[] Yes [] No
 (f) employee handbook?[] Yes [] No
 If Yes,
 (i) do all applicants distribute the employee handbook to all employees?[] Yes [] No
 (ii) does the employee handbook contain an "employment-at-will" statement?[] Yes [] No

15. Are all prospective employees required to complete an employment application prior to hire?[] Yes [] No
If Yes, does the application contain an "employment-at-will" statement?[] Yes [] No

II. FINANCIAL INFORMATION

1. Provide the following year-end financial information for the past two years:

If there is more than one than Applicant, provide consolidated financial information for all Applicants other than affiliated companies. Attached a separate schedule for each affiliate company proposed as an Applicant for this insurance.

Year	Revenues	Net Income/Loss (+/-)	Assets	Equity, Partners Capital or Equivalent (+/-)
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____

2. Presently, do current liabilities exceed current assets for any Applicant?[] Yes [] No
If Yes, provide a copy the Applicant's annual report or audited financial statements for the last two years.
3. Has any outside auditor in last two fiscal years rendered a going concern opinion for any Applicant's financial statements?[] Yes [] No
If Yes, provide details. _____
4. Has any Applicant been the subject of any bankruptcy proceeding or legal or financial reorganization in the last two years or are they considering or contemplating such action?[] Yes [] No

NOTICE TO THE APPLICANT - PLEASE READ CAREFULLY

NO FACT, CIRCUMSTANCE OR SITUATION INDICATING THE PROBABILITY OF A CLAIM OR ACTION FOR WHICH COVERAGE MAY BE AFFORDED BY THE PROPOSED INSURANCE IS NOW KNOWN BY ANY PERSON(S) OR ENTITY(IES) PROPOSED FOR THIS INSURANCE OTHER THAN THAT WHICH IS DISCLOSED IN THIS APPLICATION. IT IS AGREED BY ALL CONCERNED THAT IF THERE BE KNOWLEDGE OF ANY SUCH FACT, CIRCUMSTANCE OR SITUATION, ANY CLAIM SUBSEQUENTLY EMANATING THEREFROM SHALL BE EXCLUDED FROM COVERAGE UNDER THE PROPOSED INSURANCE.

FOR THE PURPOSE OF THIS APPLICATION, THE UNDERSIGNED AUTHORIZED AGENT OF THE PERSON(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS IN THIS APPLICATION AND IN ANY ATTACHMENTS, ARE TRUE AND COMPLETE. SHAND MORAHAN & COMPANY, INC. OR THE COMPANY IS AUTHORIZED TO MAKE ANY INQUIRY IN CONNECTION WITH THIS APPLICATION. SIGNING THIS APPLICATION DOES NOT BIND THE COMPANY TO PROVIDE OR THE APPLICANT TO PURCHASE THE INSURANCE.

THIS APPLICATION, INFORMATION SUBMITTED WITH THIS APPLICATION AND ALL PREVIOUS APPLICATIONS AND MATERIAL CHANGES THERETO OF WHICH SHAND MORAHAN & COMPANY, INC. RECEIVES NOTICE IS ON FILE WITH SHAND MORAHAN & COMPANY, INC. AND IS CONSIDERED PHYSICALLY ATTACHED TO AND PART OF THE POLICY IF ISSUED. SHAND MORAHAN & COMPANY, INC. AND THE COMPANY WILL HAVE RELIED UPON THIS APPLICATION AND ALL SUCH ATTACHMENTS IN ISSUING THE POLICY.

IF THE INFORMATION IN THIS APPLICATION AND ANY ATTACHMENT MATERIALLY CHANGES BETWEEN THE DATE THIS APPLICATION IS SIGNED AND THE EFFECTIVE DATE OF THE POLICY, THE APPLICANT WILL PROMPTLY NOTIFY SHAND MORAHAN & COMPANY, INC., WHO MAY MODIFY OR WITHDRAW ANY OUTSTANDING QUOTATION OR AGREEMENT TO BIND COVERAGE.

THE UNDERSIGNED DECLARES THAT THE PERSON(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE UNDERSTAND THAT:

- (I) THE POLICY FOR WHICH THIS APPLICATION IS MADE APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" AND REPORTED TO THE COMPANY DURING THE "POLICY PERIOD" OR WITHIN SIXTY DAYS AFTER THE EXPIRATION DATE OF THE "POLICY PERIOD" UNLESS THE EXTENDED REPORTING PERIOD IS EXERCISED. IF THE EXTENDED REPORTING PERIOD IS EXERCISED, THE POLICY SHALL ALSO APPLY TO "CLAIMS" FIRST MADE DURING THE EXTENDED REPORTING PERIOD AND REPORTED TO THE COMPANY DURING THE EXTENDED REPORTING PERIOD OR WITHIN SIXTY DAYS AFTER THE EXPIRATION OF THE EXTENDED REPORTING PERIOD;
- (II) UNLESS AMENDED BY ENDORSEMENT, THE LIMITS OF LIABILITY CONTAINED IN THE POLICY SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED BY "CLAIM EXPENSES" AND, IN SUCH EVENT, THE COMPANY WILL NOT BE LIABLE FOR "CLAIM EXPENSES" OR THE AMOUNT OF ANY JUDGEMENT OR SETTLEMENT TO THE EXTENT THAT SUCH COSTS EXCEED THE LIMITS OF LIABILITY IN THE POLICY; AND
- (III) UNLESS AMENDED BY ENDORSEMENT, "CLAIM EXPENSES" SHALL BE APPLIED AGAINST THE "DEDUCTIBLE".

The undersigned hereby authorizes the release of information contained in this application to a loss prevention service provider.

Note: This application is signed by undersigned authorized agent of the Applicant(s) on behalf of the Applicant(s) and its partners, owners, directors, officers and employees

Must be signed by a human resources director, executive officer, partner or equivalent (within 60 days of the proposed effective date).

Name of Applicant

Title

Signature of Applicant

Date

PRODUCED BY (Insurance Agent or Broker):

Producer Name: _____ Firm Name: _____

Taxpayer ID or Social Security No.: _____ Producer License No.: _____

Agency: _____

Address (No., Street, City, State and ZIP): _____

FRAUD PREVENTION – WARNING

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 MISLEADING 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, INCLUDING BUT NOT LIMITED TO FINES, DENIAL OF INSURANCE BENEFITS, CIVIL DAMAGES, CRIMINAL PROSECUTION, AND CONFINEMENT IN STATE PRISON.

WARNING – 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 from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

WARNING – Florida Applicants: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

WARNING – Minnesota: A person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

WARNING – 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.

WARNING – 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.

WARNING—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 \$5,000 and the stated value of the claim for each such violation.

WARNING – Ohio: Any person who, with intent to defraud or knowing 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.

WARNING – 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 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.