



ExecPro<sup>sm</sup> Proposal Form

for Employment Practices Liability Insurance Policy

EMPLOYMENT PRACTICES PROPOSAL FORM

Name of Company: \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Internet Web site address: \_\_\_\_\_

Nature of business: \_\_\_\_\_

Years in Operation: \_\_\_\_\_

Number of: Locations - Within the US \_\_\_\_\_ Outside the US \_\_\_\_\_
Employees - Within the US \_\_\_\_\_ Outside the US \_\_\_\_\_

1. Total number of: (a) full time employees: \_\_\_\_\_ (b) part time employees: \_\_\_\_\_
(c) leased/contract employees: \_\_\_\_\_ (d) union employees: \_\_\_\_\_

2. Does the Company make use of independent contractors? Yes \_\_\_\_\_ No \_\_\_\_\_

3. Total salary expense for the most recent year-end: \_\_\_\_\_

4. Most recent annual turnover rate: \_\_\_\_\_ Historical average annual turnover rate: \_\_\_\_\_

5. List the three states with the largest number of employees: (a) State: \_\_\_\_\_ Number of employees: \_\_\_\_\_
(b) State: \_\_\_\_\_ Number of employees: \_\_\_\_\_
(c) State: \_\_\_\_\_ Number of employees: \_\_\_\_\_

6. Provide the number of employees and officers terminated by the Company in the past two years:
Most recent year: Number of employees: \_\_\_\_\_ Number of Officers: \_\_\_\_\_
Year prior: Number of employees: \_\_\_\_\_ Number of Officers: \_\_\_\_\_

7. Has the Company completed within the last 12 months, or is the Company considering within the next 12 months, any layoffs or early retirement programs including those resulting from company reorganizations or facility closings? [ ] Yes [ ] No
If "Yes", provide details in an attachment to this Proposal Form.

8. Does the Company have outplacement programs for terminated employees? [ ] Yes [ ] No

9. Are there any planned transactions or events that would significantly increase the number of employees stated above? [ ] Yes [ ] No
If "Yes", provide details in an attachment to this Proposal Form.

10. Does the Company require the submission of an employment application for all applicants? [ ] Yes [ ] No
If "No", please explain in an attachment to this Proposal Form.

11. Does the Company use tests, including but not limited to drug, alcohol, and psychological tests, for screening applicants or for continued employment? [ ] Yes [ ] No
If "Yes", please attach the Company's policy or provide details.

12. Does the Company have a Human Resources Department?  Yes  No  
**If “No”, describe how human resource functions are administered in an attachment to this Proposal Form.**
13. Does the Company have a human resources manual?  Yes  No  
**If “Yes”, does this manual contain policies and procedures addressing the following areas:**
- (a) Compliance with the Americans with Disabilities Act;  Yes  No
  - (b) Compliance with Title VII of the Civil Rights Act of 1964 and the 1991 Civil Rights Act;  Yes  No
  - (c) Compliance with the Family Medical Leave Act;  Yes  No
  - (d) Prohibited discriminatory practices in hiring, promotion, and compensation;  Yes  No
  - (e) Employee performance evaluations;  Yes  No
  - (f) Employee disciplinary actions and discharge;  Yes  No
  - (g) Sexual harassment and the work environment;  Yes  No
  - (h) Employee grievance reporting and resolution processes.  Yes  No
- If “No” to any of the above, please provide details in an attachment to this Proposal Form.**
14. Do all managerial and supervisory personnel:
- (a) have a copy of the human resources manual?  Yes  No
  - (b) receive training in the implementation of these policies and procedures?  Yes  No
- If “No”, explain how human resources policies and procedures are communicated to managers and supervisors in an attachment to this Proposal Form.**
15. Are all employees provided with and required to acknowledge receipt of a handbook that addresses the areas detailed in item 13. above?  Yes  No  
**If “No”, explain how human resources policies and procedures are communicated to employees in an attachment to this Proposal Form.**
16. Have there been during the last five years, or are there now pending, any employment related civil, criminal, administrative or arbitration proceedings (including any proceeding initiated before the Equal Employment Opportunity Commission) brought against:
- (a) the Company or its Subsidiaries?  Yes  No
  - (b) any person proposed for this insurance in their capacity as either Director, Officer, or employee of the Company or its Subsidiaries?  Yes  No
- If “Yes” to either of the above, in an attachment to this Proposal Form, provide details including the nature of the allegations, the date the proceeding was initiated, the current status, and loss (including defense costs) incurred.**
17. Have there been during the last five years, or are there now pending, criminal, administrative or arbitration proceedings by any customer, client or other third party against the Company, its subsidiaries or any person proposed for this insurance alleging discrimination, harassment or violations of civil rights based upon discrimination or harassment? **If “Yes”, provide details in an attachment to this Proposal Form.**  Yes  No

**IT IS AGREED THAT ANY CLAIM ARISING FROM ANY PRIOR OR PENDING PROCEEDING DESCRIBED IN 16. OR 17. ABOVE IS EXCLUDED FROM THE PROPOSED COVERAGE.**

18. Is the undersigned or any Director or Officer proposed for this insurance aware of any fact, circumstance or situation involving the Company or its Subsidiaries which he or she has reason to believe might result in any future Employment Practices Claim under the policy to which this Proposal Form will be attached?  Yes  No  
**If “Yes”, please provide details in an attachment to this Proposal Form.**

**IT IS AGREED THAT IF KNOWLEDGE OF ANY SUCH FACT, CIRCUMSTANCE OR SITUATION EXISTS, ANY CLAIM SUBSEQUENTLY ARISING THEREFROM SHALL BE EXCLUDED FROM COVERAGE.**

19. Current or prior Employment Practices Liability Insurance (stand-alone or incorporated into some other coverage):
- | Insurer  | Limit | Retention | Premium                                 | Policy Period  |
|--|-------|-----------|---|--|
| <hr/>  |       |           |   |  |
| (a) has any claim been made or has any notice been given to any insurer? |       |           | <input type="checkbox"/> Not Applicable | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (b) has any insurer cancelled or non-renewed the above coverage?         |       |           | <input type="checkbox"/> Not Applicable | <input type="checkbox"/> Yes <input type="checkbox"/> No |
- If “Yes” to any of the above, provide details in an attachment to this Proposal Form.**

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 from 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 reported by the applicant.

NOTICE TO 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.

Also provide: Agent name \_\_\_\_\_ License number \_\_\_\_\_

IOWA APPLICANTS:

Submitted by \_\_\_\_\_ Date \_\_\_\_\_  
(PRODUCER)

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 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 NEW MEXICO 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 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 YORK 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 and 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 (\$5,000.00) and the stated value for each such violation.

NOTICE TO OHIO APPLICANTS: 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.

NOTICE TO PENNSYLVANIA APPLICANTS: Any person who knowingly and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and payment of a fine of up to \$15,000.

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.

The undersigned Officer of the Company declares that to the best of his or her knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information to facilitate the proper and accurate completion of this Proposal Form. The undersigned further agrees that if any significant adverse change in the condition of the applicant is discovered between the date of this Proposal Form and the effective date of the Policy, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the Insurer immediately. The signing of this Proposal Form does not bind the undersigned to purchase the insurance.

It is agreed by the Company and the Insured Persons that the particulars and statements contained in this Proposal Form and any information provided herewith (which shall be on file with the Insurer and be deemed attached hereto as if physically attached hereto) are the basis of this Policy and are to be considered as incorporated in and constituting a part of this Policy. It is further understood and agreed by the Company and the Insured Persons that the statements in this Proposal Form or any information provided herewith are their representations, they are material, and this Policy is issued in reliance upon the truth of such representations; provided, however, that except for material facts or circumstances known to the person who signed this Proposal Form, any misstatement or omission in this Proposal Form or information provided herewith in respect of a specific Wrongful Act by a particular Insured Person or his or her cognizance of any matter which he or she has reason to believe might afford grounds for a future Claim against him or her shall not be imputed to any other Insured for purposes of determining the validity of this Policy as to such other Insured.

**This Proposal Form must be signed by the Chairman of the Board, President, Chief Executive Officer, Chief Operating Officer, or Chief Financial Officer of the Company.**

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Signature

Title

Date

Please include a copy of the Company's employment applications, Human Resources Manual, Employee Handbook, or, if these do not exist, a copy of the Company's documentation on human resources policies and practices, the most recent EEO-1 report, and the most recent annual report for the Company. These materials will be considered part of the Proposal Form.

***THIS IS A CLAIMS MADE POLICY. READ IT CAREFULLY.***

This is a proposal form for a claims made policy. Amounts incurred as Costs of Defense shall reduce the Limit of Liability available to pay judgments or settlements and shall also be applied against the retention.

**NOTE:** This Proposal Form including any material submitted herewith shall be treated in strictest confidence.

Please submit this Proposal Form including appropriate documentation to:  
Great American Insurance Companies, Executive Liability Division, P.O. Box 66943, Chicago, IL 60666