

PROGRESSIVE CASUALTY INSURANCE COMPANY

EMPLOYMENT PRACTICES LIABILITY APPLICATION

FDIC No. _____

NOTE: THE LIABILITY POLICY WHICH MAY BE ISSUED BASED UPON THIS APPLICATION PROVIDES CLAIMS MADE COVERAGE WRITTEN ON A NO DUTY TO DEFEND BASIS. DEFENSE COSTS ARE INCLUDED WITHIN THE LIMIT OF LIABILITY. AMOUNTS INCURRED AS DEFENSE COSTS WILL REDUCE THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS. PLEASE READ YOUR POLICY CAREFULLY.

Name of Applicant _____

(List all entities applying for coverage)

Street Address _____ City _____ State _____ Zip Code _____

P.O. Box _____ City _____ State _____ Zip Code _____

Telephone Number _____ Fax Number _____

Website _____ E-mail Address of Representative _____

Name and title of the representative authorized to receive notices from the Insurer on behalf of all persons and entities proposed for this insurance: _____

PART I – GENERAL INFORMATION

1. Number of employees (full and part-time): _____ Salaried/Exempt _____ Hourly/Non-Exempt
2. a. How many employees left the Applicant in the last 2 years? _____ Voluntarily _____ Involuntarily Terminated
- b. If involuntarily terminated, provide reasons for termination: _____
- c. How many of these employees earned: _____ < \$25,000 _____ \$25,000 - \$100,000 _____ > \$100,000

PART II – EMPLOYMENT POLICIES AND PRACTICES

1. Does the Applicant have a Human Resource/Personnel position or department? Yes No
 - a. If "Yes", how many employees are in this department? _____
 - b. If "No", how is the function handled? _____
2. Does the Applicant have a written manual of all personnel policies and procedures? Yes No
 - a. If "Yes", does it include an employment-at-will statement? Yes No
 - b. Date the manual was last updated: _____
 - c. Is the manual reviewed at least annually by legal counsel for compliance with all applicable statutes and regulations? Yes No
3. Does the Applicant:
 - a. Have a written sexual harassment policy? **If "Yes", attach a copy.** Yes No
 - b. Use an Employment Application for all applicants for hire? **If "Yes", attach a copy.** Yes No
 - c. Seek legal counsel prior to terminating an employee? Yes No
 - d. Have a formal written severance policy? Yes No
 - e. Provide outplacement services for terminated or laid-off employees? Yes No
4. How often does the Applicant provide written performance evaluations? _____ Not Applicable

5. a. During the past 3 years, has the Applicant or any subsidiary merged, consolidated or acquired any entity that resulted in a reorganization or layoff of employees? Yes No
- b. During the next 12 months, does the Applicant or any subsidiary anticipate any merger, consolidation or acquisition that may result in a reorganization or layoff of employees? Yes No

If any of the answers to Question 5 above are "Yes", provide details: _____

PART III – LOSSES, PENDING LITIGATION AND CLAIMS HISTORY

Renewal Applicants Only

1. Are there any employment related claims or potential claims that have not been reported to Progressive involving the Insured, any subsidiary, or any past or present director/trustee, officer or employee? Yes No

RENEWAL APPLICANTS: IT IS UNDERSTOOD AND AGREED THAT IF THE UNDERSIGNED OR ANY DIRECTOR/TRUSTEE OR OFFICER HAS KNOWLEDGE OF ANY FACT, CIRCUMSTANCE OR SITUATION INVOLVING THE COMPANY OR ANY INSURED PERSONS WHICH COULD REASONABLY BE EXPECTED TO GIVE RISE TO A FUTURE CLAIM, THAT ANY INCREASED LIMIT OF LIABILITY OR COVERAGE ENHANCEMENT SHALL NOT APPLY TO ANY CLAIM ARISING FROM OR IN ANY WAY INVOLVING SUCH FACTS, CIRCUMSTANCES OR SITUATIONS. IN ADDITION, ANY INCREASED LIMIT OF LIABILITY OR COVERAGE ENHANCEMENT SHALL NOT APPLY TO ANY FACTS, CIRCUMSTANCES OR SITUATIONS OF WHICH THE INSURER HAS ALREADY RECEIVED NOTICE FROM THE COMPANY OR INSURED PERSONS OR TO ANY CLAIM ALREADY REPORTED TO THE INSURER.

New Applicants Only

1. Has any insurance carrier declined, refused to renew or cancelled insurance similar to the coverage herein applied for? (Missouri applicants are not required to answer this question.) Yes No
2. During the past 3 years, have there been or are there now any lawsuits, written or oral demands, employee grievances, negotiated settlements or administrative proceedings (EEOC, NLRB, etc.) involving:
- a. any past or present director/trustee, officer or employee resulting from their activities as such? Yes No
- b. the Applicant or any subsidiary? Yes No
3. Does the undersigned or any director/trustee or officer have knowledge of any fact, circumstance or situation, including but not limited to complaints or allegations of wrongful termination, discrimination, or sexual harassment of any type involving the Applicant, its subsidiaries, or any past or present director/trustee, officer or employee, which could reasonably be expected to give rise to a future claim? Yes No

If any of the answers in Part III are "Yes", provide details here or by attachment. _____

NEW APPLICANTS: IT IS UNDERSTOOD AND AGREED THAT ANY CLAIM ARISING FROM ANY PRIOR OR PENDING LITIGATION, WRITTEN OR ORAL DEMAND, OR ADMINISTRATIVE PROCEEDING SHALL BE EXCLUDED FROM COVERAGE. IT IS FURTHER UNDERSTOOD AND AGREED THAT IF KNOWLEDGE OF ANY FACT, CIRCUMSTANCE OR SITUATION EXISTS, ANY CLAIM OR ACTION SUBSEQUENTLY ARISING THEREFROM SHALL BE EXCLUDED FROM COVERAGE.

PART IV - REPRESENTATION STATEMENT

The undersigned declare that, to the best of their knowledge and belief, the statements in this Application, and any additional material submitted, are true and complete, and that reasonable efforts have been made to obtain sufficient information from each and every individual or entity proposed for this insurance to facilitate the proper and accurate completion of this Application.

It is further agreed by the Applicant that the particulars and statements contained in this Application (a copy of which will be attached to the Policy), any prior Applications upon which a Policy was issued, and any material submitted in connection with any such current or prior Application (which shall be on file with the Insurer and be deemed attached to the Policy as if physically attached) are the basis of the Policy and are to be considered as incorporated in and constituting a part of the Policy. It is further agreed by the Applicant that the statements in this Application or any material submitted therewith are their representations, and they are material and that the Policy is issued in reliance upon the truth of such representations.

The signing of this Application does not bind the undersigned to purchase the insurance and accepting this Application does not bind the Underwriter to complete the insurance or to issue any particular Policy. If a Policy is issued, it is understood and agreed that the Underwriter relied upon this Application, any previous Applications, and any additional material submitted in issuing each such Policy and any Endorsements thereto. The undersigned further agrees that if the statements in this Application or any other materials submitted change before the effective date of any proposed Policy, which would render this Application inaccurate or incomplete, notice of such change will be reported in writing to the Underwriter immediately.

FRAUD WARNINGS

ARKANSAS, LOUISIANA, NEW JERSEY, NEW MEXICO, and VIRGINIA: 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. In **Arkansas**, and **Louisiana**, that person may be subject to fines, imprisonment or both. In **New Mexico**, that person may be subject to civil fines and criminal penalties. In **Virginia**, penalties may include imprisonment, fines and denial of insurance benefits.

COLORADO: 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.

DISTRICT OF COLUMBIA, KENTUCKY, NEW YORK and PENNSYLVANIA: 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 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. In **District of Columbia**, penalties include imprisonment and/or fines. In addition, the Insurer may deny insurance benefits if the applicant provides false information materially related to a claim. In **New York**, the person may also be subject to a civil penalty not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation. In **Pennsylvania**, the person may also be subject to criminal and civil penalties.

FLORIDA: Any person who knowingly and with intent to injure, defraud or deceive the 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.

MAINE and TENNESSEE: 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 and/or denial of insurance benefits.

OHIO: Any person who, with intent to defraud or knowing that he is facilitating a fraud against the Insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

OKLAHOMA: WARNING: Any person who knowingly and with intent to injure, defraud or deceive the Insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

By _____ Date _____ Title _____
Signature of the Chief Executive Officer

Name _____
Please Print or Type

By _____ Date _____
Signature of the Human Resource Representative

Name _____
Please Print or Type

A POLICY CANNOT BE ISSUED UNLESS THE APPLICATION IS SIGNED AND DATED BY TWO INDIVIDUALS.

Agent Name _____ License Number _____

Submit Application to:

ExecutivePerils

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dba: Executive Perils Insurance Services