

# Standard Program

## Employment Practices Liability Insurance Claims-Made Coverage



### RENEWAL APPLICATION

NOTICE: THIS INSURANCE PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY DEFENSE COSTS, CHARGES AND EXPENSES. FURTHER NOTE THAT SUCH DEFENSE COSTS, CHARGES AND EXPENSES SHALL BE APPLIED AGAINST THE APPLICABLE DEDUCTIBLE(S)/ RETENTION(S).

#### INSTRUCTIONS:

1. Answer all questions and attach all additional information as required.
2. If a question is not applicable, indicate N/A.
3. If a question requires a comment or explanation, indicate it on the application in the space provided or attach additional details.
4. This application must be dated and signed by one of the organization's principals, partners or officers. IT IS IMPORTANT THAT THIS INDIVIDUAL READ SECTION V. IMPORTANT NOTICES AND SECTION VI. APPLICANT'S REPRESENTATIONS AND SIGNATURE OF THIS APPLICATION CAREFULLY.

**NOTE:** The special meaning of words and phrases that appear in quotation marks (" ") are defined in Section VII. DEFINITIONS of this Application.

#### Section I. GENERAL INFORMATION

1. Name of Applicant Organization:  
\_\_\_\_\_
2. Address:  
\_\_\_\_\_
3. Contact Person: (Name) \_\_\_\_\_ (Title) \_\_\_\_\_  
Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email address: \_\_\_\_\_ Website: \_\_\_\_\_
4. Form of organization:      \_\_\_ Corporation      \_\_\_ Partnership  
\_\_\_ Individual Proprietor      \_\_\_ Joint Venture      \_\_\_ Public Entity  
\_\_\_ Non-Profit Organization      \_\_\_ Other (specify) \_\_\_\_\_
5. Indicate SIC Code: \_\_\_\_\_
6. Indicate your organization's annual receipts and payroll for the following financial years:

	Receipts	Payroll
(1) Last Financial Year-	\$ _____	\$ _____
(2) Current Financial Year-	\$ _____	\$ _____
(3) Next Financial Year-	\$ _____	\$ _____

**Section II. CORPORATE HISTORY/PLANS**

1. Has the nature of your business materially changed in the past year?  Yes  No  
If Yes, explain in the Remarks Section.
  
2. a. Have you acquired any entities in the past year?  Yes  No  
If Yes, explain in the Remarks Section.
  
- b. With respect to acquired entities, do you plan to terminate any "employees" or partners in the next eighteen (18) months?  Yes  No
  
3. Do you anticipate any office closings, consolidation, or layoffs affecting 20% or more of your "employees" in any 60 day period within the next 24 months?  Yes  No  
If Yes, explain in the Remarks Section.
  
4. Has your Human Resources Department or Corporate Policy toward "employees" materially changed in the past year?  Yes  No  
  
If Yes, complete a SUPPLEMENTAL HUMAN RESOURCES AND CORPORATE POLICY CHANGE NOTIFICATION FORM.
  
5. When was your Employee Handbook last updated? \_\_\_\_\_

**Section III. EMPLOYEES**

1. Indicate the total number of "employees" currently on your payroll below (all "employees" who will receive a W-2 form should be included). **Do not include "leased workers" or "temporary workers"**

Type of Individual	No.
Full-time, regular and temporary persons working a standard workweek	
Part-time, regular and temporary persons working a standard workweek	
"Interns"	
"Seasonal Employees"	
"Volunteers"	
<b>Total</b>	

Of the total number of "employees", indicate the number who are union members

2. Please provide a breakdown by state or foreign country of the number of "employees" for each category.

State/Foreign Country	Full-time	Part-time	"Interns"	"Seasonal"	"Volunteers"

3. A. Does your organization use "leased workers"?  Yes  No  
 B. Does your organization use independent contractors?  Yes  No  
 C. If yes, would you like to cover them under this policy?  Yes  No

If yes, indicate the total number of "leased workers" to be covered \_\_\_\_\_  
 If yes, indicate the total number of independent contractors to be covered \_\_\_\_\_  
 (Please attach a copy of your employee leasing agreement and/or independent contractor agreement)  
 (Do not include "leased workers" or independent contractors in any categories listed above)

4. How many "employees" left your organization last year?

	No.
*Number of "Employees"	
Involuntary Termination	
Voluntary Termination (non- retirement)	
Retired	

\*Highest Number of "Employees" employed at any one time during the year.

**Section IV. IMPORTANT NOTICES**

1. If the inception date of the policy period is more than thirty (30) days after the date of this application, a signed declaration that statements and information provided in this application have not changed or a new signed and dated application will be required.
2. If you are signing this application, note the following:

**NOTICE:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON SUBMITS AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE, INCOMPLETE OR MISLEADING INFORMATION MAY BE GUILTY OF A CRIME, AND MAY BE SUBJECT TO CRIMINAL AND CIVIL PENALTIES AND DENIAL OF INSURANCE BENEFITS.

**Section V. APPLICANT'S REPRESENTATIONS AND SIGNATURE**

- A. It is agreed that this application is a supplement to all other applications previously submitted to the Insurer in conjunction with the underwriting and issuance of insurance coverage for which this policy is a renewal or replacement or otherwise succeeds in time, and those applications together with this application shall constitute the complete application which shall be the basis of any quotation which may be made.
- B. The undersigned authorized representative of the Applicant represents, after inquiry, that the statements and representations set forth herein are true and complete and the policy is issued in reliance upon the information herein. The undersigned authorized representative agrees that if the information supplied in this application changes between the date of this application and the effective date of the insurance, the undersigned will immediately notify the Insurer of such changes, and the Insurer may withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance.
- C. Signing of this application does not bind the Applicant nor the Insurer to complete the insurance, but it is agreed that all written statements and attachments furnished to the Insurer in conjunction with this application are hereby incorporated by reference into this application and made a part hereof. It is agreed that the Insurer has relied upon this application and attachments, and application and attachments shall be the basis of and shall be deemed attached to and incorporated into this policy should a policy be issued. The Insurer is hereby authorized to make any investigation and inquire in connection with this application.

**Applicant's Authorized Signature of a Principal, Partner or Officer.**

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_  
 Signature \_\_\_\_\_ Date: \_\_\_\_\_  
 Producing Broker: \_\_\_\_\_ License No.: \_\_\_\_\_

## Section VI. DEFINITIONS

The words and phrases in this Application that appear in quotation marks (“ ”) have special meaning and are defined below.

1. “At will” defined as an explicit statement of the employer-employee relationship in that either party may terminate the relationship at any time for any reason and without notice.
2. “Employee” means:
  - a. an individual whose labor or service is engaged by and directed by you. This includes “part-time employees,” “seasonal employees,” “temporary employees,” “temporary workers,” “interns,” “volunteers” and “management or supervisors;”
  - b. an individual who is a “leased worker”, provided such individual shall be deemed an “employee” only if, and to the extent that you provide indemnification to such individual for services rendered as if they were rendered by an actual “employee” of yours, and the labor teasing firm(s) with whom you have such agreement(s) is (are) scheduled by written endorsement to any Policy that is issued; and
  - c. an individual who is an independent contractor contracted to perform services for you; provided that such individual shall be deemed an “employee” only if, and to the extent that you provide indemnification to such individual for services rendered as if they were rendered by an actual “employee” of yours, and provided further that such individual is scheduled by written endorsement to any Policy that is issued. Coverage will not apply to any loss which you are obligated to pay to an independent contractor for overtime pay, vacation pay, or any employee benefit.
3. “Incident” means any complaints, suits or other actions by any “employee(s)”, or former “employee(s)”, against your organization where:
  - a. A third party (such as a government agency, lawyer, union, etc.) was involved, and/or
  - b. A termination settlement was non-standard and extra compensation or benefits were paid. (i.e., the “employee” or former “employee” wants financial compensation, and/or a change in work status from you for alleged injuries or damages relating to his/her employment, work environment or termination. This includes all incidents relating to such actions regardless of the merits, findings, or payments.)
4. “Intern” means a person who is an advanced student or recent graduate in a professional field who provides services to your organization or is receiving practical experience from your organization without any express or implied promise of remuneration. Coverage is only extended to “interns” while they are acting at the direction of and within the scope of duties for you.
5. “Leased worker” means a person leased to you by a labor leasing firm under an agreement between you and the labor teasing firm, to perform duties related to the conduct of your business. “Leased worker” does not include a “temporary worker”.
6. “Management and Supervisors” means a director, owner, partner, principal, officer, in-house attorney, or shareholder of your organization, the personnel or human resources director, risk management personnel or any other “employee” of your organization having management- level responsibility for personnel matters (i.e., ability to hire, terminate, demote or prepare a written evaluation of employees).
7. “Part Time Employee” means an “employee” whose labor or service is engaged on the basis that the “employee” will not work more than twenty (20) hours per week.
8. “Salary and bonus” is defined as including all remuneration to an “employee” including:
  - a. Wages or salaries;
  - b. Commissions and draws against commissions;
  - c. Bonuses including stock bonus plans;
  - d. Extra pay for overtime work;
  - e. Pay for holidays, vacations, or periods of sickness.
9. “Seasonal employee” means, an “employee” whose labor or service is engaged on the basis that the “employee” will not work more 1,000 hours per year.
10. “Temporary employee” means, an “employee” or “part-time employee” whose labor or service is engaged for a specific time period or project. “Temporary employee” does not include a “temporary worker”.
11. “Temporary worker” means a person who is furnished to you through an outside temporary employment agency to substitute for a permanent “employee” on leave or to meet seasonal or short-term workload conditions.
12. “Volunteer worker” means a person who provides services to your organization without any express or implied promise of remuneration. Coverage is only extended to a “volunteer worker” while acting at the direction of, and within the scope of duties for you.

8. Does your organization have in-house counsel that consults in employment related matters?  Yes  No
9. A. Does your organization have a labor law firm with which you regularly work?  Yes  No  
If Yes, what is the name of the firm? \_\_\_\_\_
- B. Does this firm periodically review your employment policies and procedures?  Yes  No
10. Do you use an employment application for all job applicants?  Yes  No
- A. If Yes, please attach a copy. If No, explain in the Remarks Section how this is handled.
- B. If Yes, does it contain an "at will" statement?  Yes  No
11. Do you provide a formal training program for all new "employees"?  Yes  No
12. A. Do you provide all "employees" with regular, written performance evaluations?  Yes  No
- B. If Yes, are they evaluated at least annually?  Yes  No
13. A. Do you provide periodic education on illegal discrimination and harassment to your "employees"?  Yes  No
- B. If Yes, is it provided at least annually?  Yes  No
14. Do you have written job descriptions for each position?  Yes  No
15. Do you have any written arbitration procedures?  Yes  No  
If Yes, describe in Remarks.

**REMARKS**

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**I understand the information on this form will become a part of my organization's Employment Practices Liability Application and is subject to the same representations and conditions.**

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

# Houston Casualty Companies

## Employment Practices Liability Third Party Discrimination and Sexual Harassment Coverage Supplemental Application

### INSTRUCTIONS

1. This form is to be completed if you are seeking to add Third Party Discrimination and Sexual Harassment Coverage to your Employment Practices Liability Policy. This form must be dated and signed by the same individual who signs the application.
2. For the purpose of this supplemental application the term "person" means an individual who is an existing or former customer, vendor or a client of the Named Insured.

### INFORMATION

1. Name of Applicant Organization:  
\_\_\_\_\_
2. Do you have written procedures for handling complaints of discrimination and sexual harassment from a "person" other than an "employee"?  Yes  No  
If Yes, are all complaints recorded?
3. Have you received any complaints alleging discrimination and/or sexual or non-sexual harassment from a "person" other than an "employee" in the past five (5) years?  Yes  No  
If Yes, provide the total number of complaints received. \_\_\_\_\_

**Please provide details on a separate sheet including any amounts paid or reserved.**

4. Are your facilities designed to accommodate the disabled in compliance with the Americans with Disabilities Act (ADA) law?  Yes  No  
If Yes, do you anticipate that your facilities will be in compliance with the ADA Law for the next twelve (12) months?  Yes  No  
**If No, to either question, please provide an explanation on a separate sheet.**
5. Do you provide training to your employees regarding discrimination and sexual or non-sexual harassment of a "person" other than an "employee"?  Yes  No  
If Yes, is the training part of a formalized course?  Yes  No  
Is training compulsory?  Yes  No

**If Yes, please provide details on a separate sheet of the controls that you have implemented, clearly stating whether or not they will continue to be used in the future.**

**I represent after full investigation and inquiry that the statements set forth are true and complete. I understand the information on this form will become a part of my organization's Employment Practices Liability Application and is subject to the same representations and conditions.**

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date