



## WAGE AND HOUR COVERAGE ENHANCEMENT SUPPLEMENTAL APPLICATION

**NOTICE TO NEW YORK APPLICANTS:** The Policy for which this Application is made is a claims made Policy. Upon termination of coverage for any reason, a 60-day automatic extension period will apply. For an additional premium, an extended reporting period of twelve months can be purchased as indicated in the Policy. Except as otherwise provided herein, the Policy only applies to Claims first made during the Policy Period, the automatic extension period or, if applicable, the extended reporting period. No coverage exists for Claims made after the end of the Policy Period and the automatic extension period except to the extent the extended reporting period applies. No coverage will exist after the expiration of the automatic extension period or, if purchased, the extended reporting period, which may result in a potential coverage gap if prior acts coverage is not subsequently provided by the other insurer. During the first several years of a claims-made relationship, claims-made rates are comparatively lower than occurrence rates, and the Insured can expect substantial annual premium increases, independent of overall rate increases, until the claims-made relationship reaches maturity. The Limit of Liability available to pay damages or settlements shall be reduced and may be exhausted by Defense Costs and Defense Costs shall be applied to the Retention. The Insurer is not obligated to pay any loss, including Defense Costs, after the Limit of Liability has been exhausted by payment of Loss, including Defense Costs.

**Additional Notice to Minnesota Applicants:** Under Minnesota law a Claim may be reported orally or in writing to the Insurer or to the Insured's Broker of Record.

**NOTICE TO ALL OTHER APPLICANTS:** THE POLICY FOR WHICH THIS SUPPLEMENTAL APPLICATION IS MADE IS A CLAIMS MADE AND REPORTED POLICY. SUBJECT TO ITS TERMS, SUCH POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR AN APPLICABLE EXTENDED REPORTING PERIOD AND REPORTED TO THE INSURER IN ACCORDANCE WITH THE POLICY TERMS. DEFENSE COSTS SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTIONS. THE INSURER IS NOT LIABLE FOR DEFENSE COSTS OR ANY JUDGMENT OR SETTLEMENT ONCE THE LIMIT OF LIABILITY IS EXHAUSTED BY DEFENSE COSTS OR OTHER LOSS. THE APPLICATION, ITS ATTACHMENTS AND THIS SUPPLEMENTAL APPLICATION ARE HEREBY ATTACHED AND MADE A PART OF THIS POLICY.

**INSTRUCTIONS:**

- 1) Answer all questions (if not applicable, show N/A) and attach all additional information/explanations as required.
- 2) Application must be dated and have an authorized signature.
- 3) PLEASE READ STATEMENTS AT END OF APPLICATION CAREFULLY.

**ORGANIZATIONAL INFORMATION:**

Applicant Name \_\_\_\_\_

Principal Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_ Web Address \_\_\_\_\_

- |  | Yes  | No   |
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| 1. Do you regularly consult with an employment attorney with respect to wage and hour issues, including job descriptions, hourly rates, overtime, meal and rest breaks, and conduct audits with respect to the classification of employees as salaried, hourly, and/or independent contractor? If yes, please provide the name of the attorney, law firm and frequency:<br>Atty: _____ Law Firm: _____ Frequency: _____<br>If no, describe how your company ensures compliance with federal, state and local wage and hour laws.               | <input type="checkbox"/>   | <input type="checkbox"/>   |
| 2. Do you employ any sales personnel that make sales calls outside of your premises?<br>If yes, do they get paid on a commission or partial commission basis?  | <input type="checkbox"/><br><input type="checkbox"/>                             | <input type="checkbox"/><br><input type="checkbox"/>                             |
| 3. Do all salaried employees: <ul style="list-style-type: none"> <li>a) receive at least 2x your state's prevailing minimum wage per week?</li> <li>b) as part of their primary duties, exercise some discretion and independent judgment, including providing weighted input into hiring, promotion and firing decisions?</li> <li>c) that are supervisors manage 2 or more employees and spend at least 50% of their time supervising said employees?</li> </ul>   | <input type="checkbox"/><br><input type="checkbox"/><br><input type="checkbox"/> | <input type="checkbox"/><br><input type="checkbox"/><br><input type="checkbox"/> |
| 4. Do all non-salaried employees receive at least the prevailing minimum wage as well as meal and rest breaks (where the employee is relieved of all duties during such breaks)?   | <input type="checkbox"/>   | <input type="checkbox"/>   |
| 5. Are all non-salaried employees compensated for on-call time and travel time and reimbursed for business-related expenses (i.e., uniforms, tools, gas, etc.) and time spent putting on or removing uniforms?   | <input type="checkbox"/>   | <input type="checkbox"/>   |
| 6. Are all non-salaried employees paid overtime for any hours worked in excess of 40 hours per week, or where applicable, 8 hours per day?   | <input type="checkbox"/>   | <input type="checkbox"/>   |
| 7. Do you utilize a time-keeping system that tracks in-time, out-time, meal and rest breaks?   | <input type="checkbox"/>   | <input type="checkbox"/>   |
| 8. Do you utilize independent contractors?<br>If yes, is there a written indemnity agreement holding Applicant harmless for any wage and hour violations?  | <input type="checkbox"/><br><input type="checkbox"/>                             | <input type="checkbox"/><br><input type="checkbox"/>                             |
| 9. Do you provide itemized wage statements to all of your employees, including wages paid, deductions, tips & commissions where applicable, and, for hourly employees, regular and overtime hours?   | <input type="checkbox"/>   | <input type="checkbox"/>   |
| 10. Do you maintain payroll records, including time-keeping records and wage statements, for a period of at least 4 years?   | <input type="checkbox"/>   | <input type="checkbox"/>   |
| 11. Do all tip sharing / tip pooling arrangements exclude all management (including assistant manager) employees?  | <input type="checkbox"/>   | <input type="checkbox"/>   |
| 12. Have any lawsuits, class actions, administrative proceedings (including audits, investigations or reviews by the Department of Labor or similar state agencies including but not limited to the California Department of Industrial Relations), or any hearings or demands been made against the Applicant or any entity or person proposed for this insurance during the last five (5) years alleging violations of any federal, state or local wage and hour laws or regulations in support thereof? (If yes, please give full details). | <input type="checkbox"/>   | <input type="checkbox"/>   |

Any Additional Information

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The undersigned declares that the statements set forth herein are true. For New Hampshire Applicants, the foregoing statement is limited to the best of the undersigned's knowledge, after reasonable inquiry. The undersigned represents that the statements contained in this Application and the materials submitted herewith are the basis of the contract should a policy be issued and understands and acknowledges that the Insurer relied upon the Application in issuing such policy. The Insurer is authorized to make any investigation and inquiry in connection with this Application as it deems necessary. This Application and materials submitted with it shall be retained on file with the Insurer and shall be deemed attached to and become part of the policy if issued. For North Carolina, Utah and Wisconsin and Applicants, such Application and materials are part of the policy, if issued, only if attached at issuance.

Nothing contained herein or incorporated herein by reference shall constitute notice of a claim or potential claim so as to trigger coverage under any contract of insurance.

If there is any material change in the information provided in this Application prior to the effective date of the policy, if issued, the Applicant will immediately notify the Insurer in writing and any outstanding quotations may be modified or withdrawn at the Insurer's discretion.

**ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT (S)HE IS FACILITATING A FRAUD AGAINST THE INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.**

**COLORADO:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurer to defraud or attempt to defraud the insurer. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurer or agent of an insurer 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.

**DISTRICT OF COLUMBIA:** 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.

**FLORIDA:** 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 in the third degree.

**LOUISIANA AND MARYLAND:** 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.

**MAINE, TENNESSEE, VIRGINIA AND WASHINGTON:** It is a crime to knowingly provide false, incomplete or misleading information to an insurer to defraud the insurer. Penalties may include imprisonment, fines or denial of insurance benefits.

**MINNESOTA:** A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**OKLAHOMA:** 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.

**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 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.

**NEW YORK AND KENTUCKY:** Any person who knowingly and with intent to defraud an insurer or other person files an application for insurance or statement of claims 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. New York applicants are subject to a civil penalty not to exceed \$5,000 and the stated value of the claim for each such violation. Pennsylvania applicants are subject to criminal and civil penalties.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

(Owner, Partner, Authorized Officer)

If this **Application** is completed in Florida, please provide the Insurance Agent's name and license number. If this **Application** is completed in Iowa or New Hampshire, please provide the Insurance Agent's name and signature only.

Agent's Printed Name: \_\_\_\_\_ Florida Agent's License Number: \_\_\_\_\_

Agent's Signature: \_\_\_\_\_