

Application for Directors, Officers, and Corporate Securities Liability Coverage Section



RLI Insurance Company
Peoria, Illinois 61615

1. GENERAL INFORMATION

Parent Company _____

Address _____

State of Incorporation _____ Date Established _____

Nature of Business _____

Limits Requested \$ _____ Policy Period requested: from _____ to _____

Officer of the **Parent Company** designated to receive any and all notices from the Insurer or the Insurer's authorized representative(s) concerning this coverage: _____

Is a quotation for **Investigative Costs** coverage desired? **Yes** **No**

2. OWNERSHIP

On what exchange is stock publicly traded, if any? _____

What is the stock symbol? _____

Price range over last 12 months _____ high _____ low _____ current

Common shares outstanding _____ Common stock shareholders _____

Common stock owned directly or beneficially by all directors and officers _____

Name and percentage of holdings of any **Securities** holder who owns 5% or more of the common shares directly or beneficially

Describe fully any other **Securities** convertible to common stock _____

3. SUBSIDIARIES/PARTNERSHIPS

Do you want to include all **Subsidiaries**? **Yes** **No**

Attach a list of Subsidiaries to be covered including the following information: nature of business; % owned; date acquired or created.

Does the **Parent Company**, any **Subsidiary** or any proposed **Insured Person** presently act in the capacity of general partner in a limited or general partnership? **Yes** **No**

If Yes, attach details.

4. OPERATIONAL CHANGES

Has the **Parent Company**:

publicly disclosed that it now has under consideration any acquisition, tender offer or merger? **Yes** **No**

If Yes, attach details.

publicly disclosed or made any new public offering of **Securities** pursuant to the Securities Act of 1933 or exempt from registration under Regulation A, within the last year? **Yes** **No**

If Yes, attach details including the prospectus.

or any **Subsidiary** changed auditors in the past 3 years? **Yes** **No**

If Yes, attach details.

5. EMPLOYMENT PRACTICES INFORMATION

Are all **Employees** indemnified under the indemnification provisions of the by-laws, charter or articles of incorporation?

If No, attach details. **Yes** **No**

Has the **Parent Company**, any **Subsidiary**, or any proposed **Insured Person** had any:

EEOC or NLRB charges, state and/or local judgments, demand letters from current or former **Employees** or their attorneys? **Yes** **No**

If Yes, please provide the following information: applicable dates, party(ies) named, damages incurred, legal expenses, current status, a brief description of the circumstances. Also please indicate the valuation date and source of this data.

Lawsuits, mediations, arbitrations or negotiated settlements with any current or former **Employee**? **Yes** **No**

If Yes, please provide for each, the applicable dates, party(ies) named, jurisdiction, Civil Action or Index Number, legal expenses incurred, current status, and brief description of circumstances.

It is agreed that any Claim(s) arising from any facts, circumstances or situations mentioned in the two questions immediately above are excluded from coverage.

6. PAST ACTIVITIES

Has the **Parent Company**, any **Subsidiary**, or any proposed **Insured Person** been involved in any of the following:

Anti-trust, copyright or patent litigation? **Yes** **No**

Civil or criminal action or administrative proceeding charging violation of a federal or state security law or regulation? **Yes** **No**

Any other criminal actions? **Yes** **No**

Representative actions, class actions or derivative suits? **Yes** **No**

If Yes to any of these, attach details.

7. INSURANCE

Do you currently have directors and officers liability insurance? **Yes** **No**

If Yes, please provide:

Insurer: _____, Lmts.: _____, Ded.: _____, Prem.: _____, Exp.: _____

Has the **Parent Company**, any **Subsidiary** or any proposed **Insured Person** given written notice under the provisions of any prior or current directors and officers liability policy or employment practices liability coverage or similar insurance or endorsement of specific facts or circumstances which might give rise to a **Claim** being made against any **Insured**?

If Yes, attach details. **Yes** **No**

Have any **Loss** payments been made on behalf of any **Insured** under any directors and officers liability policy and/or employment practices liability coverage or similar insurance or endorsement? **Yes** **No**
If Yes, attach details.

8. PRIOR KNOWLEDGE/REPRESENTATION

IT IS IMPORTANT THAT YOU FILL IN THE BLANK IN THIS PARAGRAPH. No person proposed for coverage is aware of any facts or circumstances which he or she has reason to suppose might give rise to a future **Claim** that would fall within the scope of proposed coverage, except **None** or _____

It is agreed that if such facts or circumstances exist, whether or not disclosed, any Claim arising from them is excluded from this proposed coverage.

9. ADDITIONAL MATERIALS NEEDED

As part of this Application, please attach the following (where applicable):

- Latest Annual Report (including balance sheet and income statement).
- Latest Interim Financial Statement
- A copy of the indemnification provisions of the by-laws, charter or articles of incorporation.
- Latest proxy statement

IMPORTANT INFORMATION

The submitting of this Application does not obligate the Insurer to issue a coverage section. You will be advised if your Application for coverage is accepted.

FALSE INFORMATION

Any person who, knowingly and with the intent to defraud any insurance company or other person, files an Application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

MATERIAL CHANGE

Signing of this Application does not bind the **Parent Company** or the Insurer. If there is any material change in the answers to the questions prior to the Policy inception date the **Parent Company** will notify the Insurer in writing and any outstanding quotation or indication may be modified or withdrawn.

DECLARATION AND SIGNATURE

The undersigned declares that to the best of his or her knowledge and belief the statements set forth herein are true. Although the signing of this Application does not bind the undersigned on behalf of the **Parent Company** or its' **Insured Persons** to effect insurance, the undersigned agrees that this Application and its attachments shall be the basis of the contract should a Policy be issued and shall be deemed attached to and shall form part of the Policy. The Insurer is hereby authorized to make any investigation and inquiry in connection with this Application that it deems necessary.

Application must be signed by the Chairman of the Board or President.

Date

(Chairman of the Board or President)
Signature

Title

Application for Employment Practices Liability Coverage Section



RLI Insurance Company
Peoria, Illinois 61615

1. GENERAL INFORMATION

Parent Company _____

Address _____

State of Incorporation _____ Date Established _____ Yrs. Under Current Mgmt.: _____

Nature of Business _____

Limits Requested \$ _____ **Policy Period** requested: from _____ to _____

Officer of the **Parent Company** designated to receive any and all notices from the Insurer or the Insurer's authorized representative(s) concerning this coverage: _____

Parent Company is a: Corporation Individual Proprietor Partnership
 Other (Specify) _____

Coverage desired: duty to defend non-duty to defend

2. EMPLOYEES

Total number of **Employees**: Worldwide _____ U.S. _____
California _____ Texas _____ Michigan _____
Union _____ Non-Union _____

Employees (including all locations and all directors and officers):

Employees on Payroll*	Total Current Number	Total 12 Months Prior	Total 24 Months Prior	Anticipated 12 Months From Now
Full-time				
Part-time				
Temporary Workers				

* Please include **Employees** of all **Subsidiaries** more than 50% owned, for which coverage is desired

of full-time **Employees** by length of service: < than 5 years: _____; > than 5 years: _____;

of **Employees** terminated or involuntarily laid off in: the past 12 mos.? _____; the past 24 mos.? _____;

of **Employees** with total annual compensation greater than \$100,000? _____

	<u>Year</u>	<u>Percent Turnover</u>
Annual Employee turnover rate for each of the last 3 years:	_____	_____ %
	_____	_____ %
	_____	_____ %

Additional Insureds:

Is coverage desired for Leased Workers and/or Independent Contractors? Yes No
If Yes, please complete the following table and supply a schedule naming said individuals.

Desired Additional Insureds	Total Current Number	Total 12 Months Prior	Total 24 Months Prior	Anticipated 12 Months From Now
Leased Workers				
Independent Contractors				

If coverage is desired for Leased Workers and/or Independent Contractors, are said individuals subject to the same employment related human resource training/procedures as traditional **Employees**? Yes No
If No, please explain.

3. HUMAN RESOURCES

Does the **Parent Company**:

use outside employment counsel for employment advice? Yes No
If No, please explain how this function is handled.

have a full time human resources manager or department? Yes No
If No, please explain how this function is handled.

distribute an employee handbook to all employees? Yes No
If No, please explain.

have a manual of its human resource procedures? Yes No
If Yes, indicate the date it was last revised _____

provide formal training for its supervisors in administering these procedures? Yes No

have a written policy against discrimination, including sexual harassment? Yes No
If Yes, how is it communicated to employees?

have a grievance procedure for dealing with discrimination claims? Yes No

use any tests (e.g. psychological, drug, polygraph, etc.) for screening applicants or for continued employment or promotion? Yes No
If Yes, attach details.

use an employment application for all applicants? Yes No
If No, please explain.

have a written progressive disciplinary program? Yes No

obtain advice from counsel or human resource manager prior to terminating an employee? Yes No
If No, attach details.

4. OPERATIONAL CHANGES

Has the **Parent Company**, or any of its **Subsidiaries**:

conducted any branch/facility closings, branch/facilities sales, layoffs and/or staff reductions during the past 24 months? Yes No
If Yes, attach details.

been involved in any actual or proposed merger, acquisition, tender offer, divestment or purchase and assumption within the past 24 months? Yes No
If Yes, attach details.

Does the **Parent Company**, or any of its **Subsidiaries**, anticipate:

any branch/facility closings, branch/facility sales, layoffs and/or staff reductions within the next 12 months? **If Yes, attach details.**

Yes **No**

any mergers and/or acquisitions, of any type, during the next 12 months? **If Yes, attach details.**

Yes **No**

or intend to out-source any of its current activities? **If Yes, attach details.**

Yes **No**

5. PAST ACTIVITIES

Has the **Parent Company**, any **Subsidiary**, any director, officer or other proposed **Insured** had any:

EEOC or NLRB charges, state and/or local judgments, demand letters from current or former employees or their attorneys?

Yes **No**

If Yes, please provide the following information: applicable dates, party(ies) named, damages incurred, legal expenses, current status, a brief description of the circumstances. Also please indicate the valuation date and source of this data.

Lawsuits, mediations, arbitrations or negotiated settlements with any current or former employee?

Yes **No**

If Yes, please provide for each, the applicable dates, party(ies) named, jurisdiction, Civil Action or Index Number, legal expenses incurred, current status, and brief description of circumstances.

It is agreed that any Claim(s) arising from any facts, circumstances or situations mentioned in the two questions immediately above, are excluded from coverage.

6. INSURANCE

Do you currently have employment practices liability insurance?

Yes **No**

If Yes, please provide:

Insurer: _____, Lmts.: _____, Ded.: _____, Prem.: _____, Exp.: _____

Has the **Parent Company**, any **Subsidiary** or any proposed **Insured Person** given written notice under the provisions of any prior or current employment practices liability policy or any similar insurance or endorsement of specific facts or circumstances which might give rise to a **Claim** being made against any **Insured**?

Yes **No**

If Yes, attach details.

Have any **Loss** payments been made on behalf of any **Insured** under any employment practices liability policy or similar insurance or endorsement?

Yes **No**

If Yes, attach details.

7. PRIOR KNOWLEDGE/REPRESENTATION

IT IS IMPORTANT THAT YOU FILL IN THE BLANK IN THIS PARAGRAPH. No person proposed for coverage is aware of any facts or circumstances which he or she has reason to suppose might give rise to a future **Claim** that would fall within the scope of proposed coverage, except **None** or _____

It is agreed that if such facts or circumstances exist, whether or not disclosed, any Claim arising from them is excluded from this proposed coverage.

8. ADDITIONAL MATERIALS NEEDED

As part of this Application, please attach the following (where applicable):

- Employment Application
- Employee Grievance Procedures
- Employee Handbook/Manual
- EEO and Anti-Discrimination Policy Statement
- Anti-Harassment Policy Statement
- EEO-1 Report for Last Calendar Year

IMPORTANT INFORMATION

The submitting of this Application does not obligate the Insurer to issue a coverage section. You will be advised if your Application for coverage is accepted.

FALSE INFORMATION

Any person who, knowingly and with the intent to defraud any insurance company or other person, files any Application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

MATERIAL CHANGE

Signing this Application does not bind the **Parent Company** or the Insurer. If there is any material change in the answers to the questions prior to the policy inception date the **Parent Company** will notify the Insurer in writing and any outstanding quotation or indication may be modified or withdrawn.

DECLARATION AND SIGNATURE

The undersigned declares that to the best of his or her knowledge and belief that the statements set forth herein are true. Although the signing of this Application does not bind the undersigned on behalf of the **Parent Company** or its' directors, officers or **Insured Persons** to effect insurance, the undersigned agrees that this Application and its attachments shall be the basis of the contract should a Policy be issued and shall be deemed attached to and shall form part of the Policy. The Insurer is hereby authorized to make any investigation and inquiry in connection with this Application that it deems necessary.

Application must be signed by the Chairman of the Board, President or the Director of Human Resources.

Date

(Chairman of the Board, President or
the Director of Human Resources)
Signature

Title

ExecutivePerils

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