

SUPPLEMENT III - REDUCTION IN WORKFORCE QUESTIONNAIRE

(Complete this section if the Policyholder in the past 36 months completed or agreed to, or contemplates within the next 18 months any plant, facility, branch or office closing, consolidation or layoff)

1. Please provide the following workforce details: (Please provide a separate sheet if necessary)

| Date of reduction in workforce | Reason for reduction in workforce | Number of Employees affected by the reduction |
|--------------------------------|-----------------------------------|--|
| | | |
| | | |
| | | |

2. Did or will the reduction in workforce comply with the Worker Adjustment and Retraining Notification Act (WARN)? Yes No

3. Who will make or who made the decision to reduce the workforce? _____

4. Does the **Insured** have a reduction in workforce committee? Yes No
If yes, please provide details: _____

5. Were/are impact studies conducted? Yes No
If yes, what were the findings? _____

6. (a) Please provide a breakdown of the number of **Employees** to be affected by the reduction:

| Category | Total Number of Employees | Category | Total Number of Employees |
|--------------------------------------|----------------------------------|--|----------------------------------|
| Male | | Female | |
| Male White | | Female White | |
| Male Minorities | | Female Minorities | |
| Male Officials & Managers | | Female Officials & Managers | |
| Male Minorities Officials & Managers | | Female Minorities Officials & Managers | |
| Male 40 & Older | | Female 40 & Older | |
| Male Minorities 40 & Older | | Female Minorities 40 & Older | |

(b) What are the criteria to determine the workforce reduction?
 departmental/specific positions seniority performance arbitrary combination of all
Please provide details _____

7. (a) Was/is severance available to all **Employees**? Yes No
If no, please provide details: _____

(b) Is the severance package uniform? Yes No

(c) Please attach severance package details.

8. (a) Were/are the **Employees** required to sign a release for the severance package? Yes No
If yes, does it comply with the Age Discrimination in Employment Act (ADEA) and Older Worker Benefit Protection Act ("OWBPA")? Yes No

(b) Did any **Employee** refuse to sign the release? Yes No

(c) Please provide a copy of any waiver(s) and/or releases(s).

9. (a) Are outplacement services provided? Yes No
If yes, are they provided to all **Employees**? Yes No

10. (a) Are exit interviews conducted? Yes No

(b) Are they standardized? Yes No

(c) Are they documented in writing? Yes No

(d) Do they require the **Employee's** signature? Yes No

11. (a) Were any **Claims** filed, or are any expected to be filed, as a result of this reduction in workforce? Yes No

(b) Have any of the **Employees** effected by the reduction in workforce previously filed complaints or **Claims** of discrimination, harassment, disability or workers compensation? Yes No

If yes, please provide details on a separate sheet including the date(s) of the most recent complaint(s) or **Claim(s)** by each such **Employee**.

12. Did the **Insured** consult with outside counsel familiar with employment and labor law regarding the reduction in workforce process? Yes No
If yes, which law firm was consulted? _____