

Employment Practices Liability Insurance

CLAIMS MADE WARNING FOR APPLICATION

THIS PROPOSAL FORM IS FOR A CLAIMS MADE POLICY, RELATING TO CLAIMS MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE.

Whenever printed in this Proposal Form, the terms in boldface type shall have the same meanings as indicated in the Policy. This Proposal Form is to be completed with respect to the entire Insured Entity. **Insured Entity** as used herein is defined to include the **Named Insured** and any **Subsidiaries**. Provide details to all "Yes" answers, when applicable, by attachment.

Name of **Named Insured**

Street Address

City

State

Zip Code

The Officer designated as agent of the **Insured Entity** and of all **Insureds** to receive any and all notices from the **Insurer** or their authorized representatives concerning this insurance:

Name

Title

E-Mail Address

General Information

- 1.(a) Primary Standard Industry Code (SIC): _____
- (b) Federal Employer Identification Number (FEIN) or Taxpayer Identification Number: _____
- (c) Describe the nature of the **Named Insured's** business: _____

- 2. Has the **Insured Entity** been involved in any bankruptcy proceeding within the last 12 months or has the **Insured Entity** contemplated filing a petition for protection under the bankruptcy code within the next 12 months? Yes No
- 3. Provide the following information on all new, within the last 12 months, **Subsidiaries** of the **Insured Entity**. If "None", so state. None
 - (a) Name
 - (b) Date of acquisition/creation
 - (c) Percent of ownership(if less than 100 percent, list minority owners)
 - (d) Nature of business
 - (e) Domestic or foreign
- 4. Provide the following information on all new, within the last 12 months, plants, branches or offices of the **Insured Entity**. If "None", so state. None
 - (a) Location
 - (b) Nature of business
 - (c) Estimated number of **Employees**

IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR ANY NEW SUBSIDIARIES, CREATED OR ACQUIRED WITHIN THE LAST 12 MONTHS, IN QUESTION 3. UNLESS THE INFORMATION REQUESTED ABOVE IS PROVIDED BY ATTACHMENT. ALSO, PROVIDE DETAILS TO QUESTION 4. BY ATTACHMENT, AS APPROPRIATE.

- 5. Has the **Insured Entity** had any **Subsidiary**, plant, facility, branch or office closings, consolidations or layoffs within the past 12 months, or anticipate any within the next 12 months? Yes No

Current Employee Information

- 6. Have there been any changes in senior management in the last 12 months? Yes No
- 7.(a) Current Number of **Employees** of the **Insured Entity**:

Current Year	Full Time	Part Time	Seasonal / Temporary
- (b) What is the **Insured Entity's** annual employee turnover rate for the last 12 months? _____ %
- 8. What percentage of the **Insured Entity's Employees** currently earns more than \$50,000? _____ %
- 9. Does the **Insured Entity** currently employ a full time Human Resources professional? Yes No
- 10. Does the **Insured Entity** (provide details to "No" answers by attachment):
 - (a) Utilize employment applications for all prospective **Employees**? Yes No
 - (b) Require the Human Resource Department to review and approve each proposed **Employee** termination? Yes No
 - (c) Have outside employment counsel review each proposed **Employee** termination? Yes No
 - (d) Conduct mandatory periodic **Employee** education regarding prohibited forms of harassment? Yes No
 - (e) Periodically have its employment policies and procedures reviewed by outside employment counsel? Yes No
 - (f) Periodically have its employment policies and procedures distributed to all **Employees**? Yes No

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11. In the last 12 months, has the **Insured Entity** implemented any collective bargaining agreements with any group of **Employees**?
(Provide details to "Yes" answers by attachment.) Yes No
12. Which written policies and procedures are currently implemented? If "None", so state. None
- | | | |
|---|---|--|
| <input type="checkbox"/> Employee Handbook / Manual | <input type="checkbox"/> Anti-Harassment Policy, including Sexual Harassment | <u>Employers with more than 50 Employees</u> |
| <input type="checkbox"/> Anti-Discrimination Policy - Equal Employment Opportunity (EEO) Policy | <input type="checkbox"/> Adherence to Employment "at-will" relationship with all Employees | <input type="checkbox"/> Family Medical Leave Act Policy |
| | | <u>California Employers Only</u> |
| | | <input type="checkbox"/> California Family Rights Policy |

Litigation and Claim Information

13. In the last 5 years, has any current or former **Employee** or third party made any **Claim**, or otherwise alleged discrimination, harassment, wrongful discharge and/or **Wrongful Employment Act(s)** against the **Insured Entity** or its directors, officers or **Employees**? Yes No
- A **Claim** is not limited to the filing of a lawsuit or complaint with the EEOC or similar state or local agency. A **Claim** may also include a written demand or threat by any current or former **Employee** seeking relief in connection with an employment-related dispute or grievance. Please provide details of all incidents even if the matter has since been settled or otherwise resolved.
14. During the last 5 years, has the **Insured Entity** or any of its directors, officers or **Employees** thereof known of, or been involved in any lawsuit, charges, inquiries, investigations, grievances or other administrative hearings or proceedings before any of the following agencies and/or under any of the following forums?
- | | |
|--|--|
| (a) National Labor Relations Board? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (b) Equal Employment Opportunity Commission? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (c) Office of Federal Contract Compliance Programs? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (d) U.S. Department of Labor? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (e) Any state or local government agency such as the Labor Department or fair employment agency? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (f) U.S. District or state court? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Provide details of all incidents even if the matter has since been settled or otherwise resolved.

IF "YES" TO QUESTION 13. OR ANY PART OF QUESTION 14., PROVIDE THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT, OR BY COMPLETING A CLAIMS SUPPLEMENT FORM.

(a) Allegation	(b) Date Claim first made	(c) Paid damages/expenses including attorneys' fees	(d) Outstanding damages/expenses including attorneys' fees	(e) Total costs incurred
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Documents Required

Please submit one copy of each of the following documents. These documents will be attached to and made a part of this Proposal Form.

- (a) Provide details to all "Yes" answers, when applicable, by attachment
- (b) The most recent copy (if implemented in the last 12 months) or all updates made to any of the written policies and procedures listed in Question 12

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Please Read Carefully

The undersigned Chairman of the Board of Directors, President or Chief Executive Officer and Human Resources Manager declare that to the best of their knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information to facilitate the proper and accurate completion of this Proposal Form.

The undersigned agree that the particulars and statements contained in the Proposal Form and any material submitted herewith are their representations and that they are material and are the basis of the insurance contract. The undersigned further agree that the Proposal Form and any material submitted herewith shall be considered attached to and a part of the Policy.

It is further agreed that:

- if any significant change in the condition of the applicant is discovered between the date of this Proposal Form and the Policy inception date, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the **Insurer** immediately;
- any Policy, if issued, will be in reliance upon the truth of such representations; provided, however, with respect to such statements and representations, no knowledge or information possessed by any **Director or Officer or Employee**, except for those person or persons who executed the Proposal Form, shall be imputed to any other **Director or Officer or Employee** and further provided that if any person who executed the Proposal Form knew that such statement or representation was inaccurate or incomplete, then this Policy will be void as to all **Insureds**;
- the information contained in this Proposal Form shall not be used by any **Insureds** as notice as provided for in section VII. of the Policy, nor will the **Insurer** recognize and/or accept the information contained herein as notice as provided for in section VII. of the Policy;
- this Proposal Form has been completed as respects the entire Insured Entity;
- the signing of this Proposal Form does not bind the undersigned to purchase the insurance.

NOTICE TO COLORADO APPLICANTS: 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 POLICY HOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICY HOLDER 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.

NOTICE TO NEW YORK APPLICANTS: 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 SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

NOTICE TO NEW MEXICO, PENNSYLVANIA APPLICANTS: 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.

NOTICE TO APPLICANTS OF KENTUCKY: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A CRIME AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO APPLICANTS OF FLORIDA, MINNESOTA, NEW JERSEY, OHIO, AND OKLAHOMA: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO DISTRICT OF COLUMBIA, MAINE, MASSACHUSETTS AND VIRGINIA APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

	Dated:
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Chairman of the Board of Directors, President or Chief Executive Officer

	Dated:
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Human Resources Manager (or equivalent position)

This Carolina Casualty Insurance Company Proposal Form, including any material submitted herewith, shall be held in strictest confidence.

A POLICY CANNOT BE ISSUED UNLESS THE PROPOSAL FORM IS PROPERLY SIGNED AND DATED.

Please submit this Proposal Form including appropriate documentation to:

Monitor Liability Managers, Inc., 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039

	Dated:
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Submitted by (PRODUCER)

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AGENT'S NAME (Please Print Name Here)

AGENT'S LICENSE NUMBER