



AMERICAN INTERNATIONAL COMPANIES®

Name of Insurance Company to which Application is made
(herein called the "Insurer")

**EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY
MAIN FORM APPLICATION**

Name of Insurance Policy to which Application is applicable

NOTICE: THE POLICY PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.

IF A POLICY IS ISSUED, IT WILL BE ON A CLAIMS-MADE BASIS.

I. GENERAL INFORMATION

1. Name and Address of Applicant:

(hereinafter "Applicant")

2. State of incorporation or formation:

3. Date of incorporation or formation:

4. Type of Business Entity (please check applicable description):

- Corporation
- Partnership
- Limited Liability Company
- Sole Proprietorship
- Other (please specify: _____)

5. Years of Operation:

6. Nature of Business:

7. Principal Products or Services:

8. Primary SIC Code(s):

person proposed for insurance in which the total loss (including Defense Costs) has exceeded, or is expected to exceed, 25% of the minimum retention amount requested in Item 10(b) of this application, except as follows: (Attach complete details. If no such claim(s), check here: _____ “none”.)

15. No Specified Proposed Insured has knowledge or information of any act, error or omission which might give rise to a Claim(s) against any Insured proposed for insurance, except as follows: (Attach complete details. If they have no such knowledge or information, check here: _____ “none”.)

Solely for the purposes of this question 15, the term “Specified Proposed Insured” means:

- (i) any employee of the following, the office of general counsel, the human resources department or the risk management department of the Applicant or any Subsidiary thereof; and
- (ii) any director, officer or supervisor of the Applicant or any Subsidiary thereof.

It is agreed that with respect to Questions 14 and 15 above, if such Claim, knowledge, information or involvement exists, such Claim or any claim or action arising therefrom is excluded from the proposed coverage.

III. APPLICANT’S EMPLOYEE INFORMATION

16. Please provide the following information regarding all Employees of the Applicant and any subsidiary thereof (including all directors and officers of such entities):

(a) Total number of Employees: _____

	Non union	Union (if applicable)
Full Time:	_____	_____
Part Time:	_____	_____
Seasonal:	_____	_____
Temporary:	_____	_____
Leased:	_____	_____
Independent Contractors:	_____	_____
Domestic (within the U.S., Canada and territories):	_____	_____
Foreign:	_____	_____
Total:	_____	_____

(b) Number of Employees in Texas _____%, California _____%, Michigan _____%

(c) Is the Applicant or any of its Subsidiaries subject to a collective bargaining agreement?
 Yes, No

If “Yes”, how many employees are also subject to this agreement? _____.

If “Yes”, when does said agreement expire? _____.

(d) Is the Applicant's or any of its Subsidiaries' Employees (including Directors and Officers) employed under a written employment contract? [] Yes, [] No.

If "Yes", how many are there? _____ .

(e) For the past 3 years, what has been the annual percentage turnover rate of Employees (including Directors and Officers) (all locations):

Domestic:	Year 1 ----- %	Year 2 ----- %	Year 3 ----- %
Foreign:	Year 1 ----- %	Year 2 ----- %	Year 3 ----- %

(f) Percentage of Employees (including Directors and Officers) with salaries greater than:

\$50,000	----- %
\$100,000	----- %
\$150,000	----- %
\$200,000	----- %
above \$200,000	----- %

(g) How many officers and other Employees have resigned, been terminated (with or without cause) or retired within the last 24 months (all locations)?

Officers _____ Other Employees _____

IV. HUMAN RESOURCES

17. Does the Applicant or any of its Subsidiaries have a Human Resources or Personnel Department? [] Yes, [] No.

If "Yes", please answer the following questions regarding the Applicant's or any of its Subsidiaries' Human Resources or Personnel Departments.

(a) Number of Human Resources/Personnel Departments: _____

(b) Number of Employees: _____

If "No", how is this function handled? Please attach full details.

18. Does the Applicant have a human resources manual or equivalent written management guidelines? [] Yes, [] No.

(If "Yes", does it address the following issues?)

Legally prohibited Discrimination [] Yes, [] No.

Sexual Harassment	<input type="checkbox"/> Yes, <input type="checkbox"/> No.
Compliance with the Americans with Disability Act	<input type="checkbox"/> Yes, <input type="checkbox"/> No.
Compliance with the 1991 Civil Rights Act	<input type="checkbox"/> Yes, <input type="checkbox"/> No.
Compliance with the Family Medical Leave Act	<input type="checkbox"/> Yes, <input type="checkbox"/> No.
Employee disciplinary actions	<input type="checkbox"/> Yes, <input type="checkbox"/> No.
Terminations, layoffs and early retirements	<input type="checkbox"/> Yes, <input type="checkbox"/> No.
Employee appraisals / reviews	<input type="checkbox"/> Yes, <input type="checkbox"/> No.

(For all “No” answers, how are these issues handled and by whom? Please attached full details.)

How often are said guidelines updated? _____

19. If “Yes” in question 18, are all management, supervisory employees and non-supervisory employees provided with a copy of such manual?
 Yes, No.

If “Yes” are such individuals required to acknowledge receipt of such manual in writing?
 Yes, No.

20. Do all management and supervisory employees receive training in the proper implementation of your personnel policies and procedures? Yes, No

21. Has the Applicant formally implemented and adopted anti-sexual harassment and anti-discrimination policies? Yes No

If Yes:

(a) Are such policies distributed annually to all department heads, managers and workers? Yes No.

(b) If “Yes” to (a), are such individuals required to acknowledge receipt of such policies in writing? Yes No

(c) Are all such policies updated and reviewed yearly or when there are changes in the law? Yes No

22. Is there mandatory training for all department heads, managers and administrators on all anti-discrimination and anti-sexual harassment policies of the Applicant?
 Yes No

23. Does the Applicant use an “800” number for the reporting of allegations of employment practices violations? Yes No

If “No”, would the Applicant be interested in implementing an “800” number if the costs for such service were to be paid for by the Insurer? Yes No

24. (a) Are employment issues relating to terminations, discriminations, sexual harassment, layoffs, transfer, or promotions handled by the Human Resources/Personnel Department? Yes, No (If "No", please provide details on how these issues are handled.)
- (b) When does outside counsel become involved? (Please attach details.)
- (c) How frequently does outside counsel become involved?
 Always, Sometimes, Never.
25. Does the Applicant have written guidelines for layoffs having emphasis on compliance with federal and state anti-discrimination laws?
26. Is an employment application required for new employees? Yes No.
(If "Yes", please attach copies.)
27. (a) Does the Applicant have an Employee Handbook? Yes No.
(If "Yes", please attach a copy.)
- (b) Is the employment handbook distributed to all employees?
 Yes No
- (c) If "Yes" to (b) are such individuals required to acknowledge receipt of such handbook in writing? Yes No
28. Please provide on a separate attachment full details on all wrongful termination, discrimination and sexual harassment claims made against the Applicant or any of its Subsidiaries or any directors, officers or employees thereof during the last three years in which the total loss (including Defense Costs) has exceeded, or is expected to exceed, 25% of the minimum retention amount requested in Item 10(b) of this application, including amounts of any judgments or settlements and costs of defense. (If no such claims, check here None.)
- 29.(a) Please provide on a separate attachment full details on all inquiries, investigations, grievance filings or other administrative hearings previously filed during the last three years: (i) in which the total loss (including Defense Costs) has exceeded, or is expected to exceed, 25% of the minimum retention amount requested in Item 10(b) of this application; or (ii) which are currently before any local, state or federal agency governing employer responsibility to employees. (If none, check here .)
- (b) Please provide on a separate attachment full details on all customer/client lawsuits alleging discrimination or sexual harassment which have been filed during the last three years. (If none, check here .)

V. INSURANCE HISTORY

30. Current Insurance (if none, most recent). If included as an attachment herein, check here . (Attached)

	D&O Insurance	EPL Insurance	CGL Insurance
(a) Name of insurance company			
(b) Limit of Liability			
(c) Self-insured retention			
(d) Policy expiration date			
(e) Premium (indicate one year or more)			

31. Has any insurance carrier refused, canceled or nonrenewed any Directors and Officers or Employment Practices insurance coverage?²

[] Yes, [] No. (If “Yes”, attach full details including when and reason(s).)

VI. GENERAL INFORMATION

32. Name of Risk Manager, Human Resources Manager and General Counsel (or equivalent position) and number of years in current position:

NAME	YEARS	PHONE
_____	_____	_____
_____	_____	_____
_____	_____	_____

33. Who in the Applicant organization has been designated to handle employment practices claims?

Name	Address	Phone
_____	_____	_____

34. Attach copies of the following for the Applicant and, to the extent available, each of its Subsidiaries:

- (a) Latest annual report or audited Financial Statement.
- (b) Copy (certified by Corporate Secretary) of the indemnification provisions of the

² Missouri applicants need not reply.

charter and the by-laws. Also attach copy of any corporate indemnification agreement(s) between the Company and any leased individual or sub-contractor.

- (c) Employee Handbook.
- (d) Human Resources Manual/Guidelines.
- (e) Procedures respecting applicants for employment, employee discipline, termination, alleged harassment or discrimination.
- (f) Latest EEO-1 report.
- (g) Workers' Compensation Information Page.

THE UNDERSIGNED AUTHORIZED OFFICER OF THE APPLICANT DECLARES THAT THE STATEMENTS SET FORTH HEREIN ARE TRUE. THE UNDERSIGNED AUTHORIZED OFFICER AGREES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE EFFECTIVE DATE OF THE INSURANCE, HE/SHE (UNDERSIGNED) WILL, IN ORDER FOR THE INFORMATION TO BE ACCURATE ON THE EFFECTIVE DATE OF THE INSURANCE, IMMEDIATELY NOTIFY THE INSURER OF SUCH CHANGES, AND THE INSURER MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATIONS OR AGREEMENTS TO BIND THE INSURANCE

SIGNING OF THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE INSURER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THIS APPLICATION SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IT WILL BE ATTACHED TO AND BECOME PART OF THE POLICY.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF.

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, 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 OHIO APPLICANTS: "ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD."

NOTICE TO KENTUCKY APPLICANTS: "ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE 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."

NOTICE TO 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 NEW JERSEY APPLICANTS: “ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.”

NOTICE TO FLORIDA APPLICANTS: “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.”

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 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 WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.”

NOTICE TO MINNESOTA APPLICANTS: “A PERSON WHO SUBMITS AN APPLICATION OR FILES A CLAIM WITH INTENT TO DEFRAUD OR HELPS COMMIT A FRAUD AGAINST AN INSURER IS GUILTY OF A CRIME.”

NOTICE TO ARKANSAS APPLICANTS: “ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT, OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.”

Signed _____
(Applicant)

Date _____

Title _____
(must be signed by Chairman of the Board or President)

Corporation _____
(Corporate Seal)

Attest _____

Broker _____

Address _____

Please read the following statement carefully and sign where indicated. If a policy is issued, this signed statement will be attached to the policy.

The undersigned authorized officer of the Applicant hereby acknowledges that he/she is aware that the limit of liability contained in this policy shall be reduced, and may be completely exhausted, by the costs of legal defense and, in such event, the Insurer shall not be liable for the costs of legal defense or for the amount of any judgment or settlement to the extent that such exceeds the limit of liability of this policy.

The undersigned authorized officer of the Applicant hereby further acknowledges that he/she is aware that legal defense costs that are incurred shall be applied against the retention amount.

Signed _____
(Applicant)

Date _____

Title _____
(must be signed by Chairman of the Board or President)