



APPLICATION FOR EMPLOYMENT PRACTICES LIABILITY CLAIMS MADE POLICY

COVERAGE APPLIES ONLY TO A CLAIM FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD, OR IF APPLICABLE, DURING THE EXTENDED REPORTING PERIOD. COSTS OF DEFENSE ARE INCLUDED WITHIN THE LIMIT OF INSURANCE.

Section I. Information about the Applicant's organization

1. Name and address of Applicant (Applicant is defined as the Parent Company, unless otherwise indicated):

Phone #: _____ Fax #: _____ E-mail address: _____ website address _____

2. Date & state of incorporation: _____ Date Applicant commenced operations: _____

3. Nature of Applicant's operations: _____

4. Annual assets past three years: Current \$ _____ Prior \$ _____ Previous \$ _____

5. Please attach the following on all subsidiaries (including subsidiaries of subsidiaries): If none, check here:

A. Name and address; B. Percent of ownership; C. Nature of business; D. Name of Parent Company

Section II. Information about litigation and claims

(1) Is there now or during the past five years, has there been any claim(s) including pending claims against any persons, organizations or entities proposed for this insurance involving allegations of Wrongful Termination, Discrimination or Sexual Harassment to employees, independent contractors, customers, clients or other third parties?

Yes No

(2) Is there now or during the past five years has the Applicant been involved in any charges, inquiries, investigations, grievances or administrative hearings before any of the below agencies and/or in regards to any of the Acts below:

- National Labor Relations Board Yes No U.S. Department of Labor Yes No
Equal Employment Opportunity Commission Yes No Family Medical Leave Act Yes No
Fair Labor Standards Enforcement Act Yes No Americans with Disabilities Act Yes No
Title VII of the Civil Rights Act of 1964 Yes No Civil Rights Act of 1991 Yes No
Age Discrimination in Employment Act Yes No

THE FOLLOWING QUESTION SHOULD ONLY BE ANSWERED IF THE APPLICANT DOES NOT CURRENTLY HAVE EMPLOYMENT PRACTICES LIABILITY INSURANCE:

(3) Does the Parent Company, its Subsidiaries, or any director, member of the board of managers, management committee member, officer or any other person proposed for this insurance have any knowledge or information of any fact, circumstance or situation which could reasonably give rise to a claim against them? Yes No

*If any answer/s to the above questions under Section II is "yes," please complete FFIC Claim Supplement.

Section III Employee Information

1. Please provide the following Employment information:

a. Number of stores: _____ # of Full Time Employees: _____ # of Part Time Employees: _____
of additional offices: _____ # of Full Time Office Employees _____ # of Part Time Office Employees _____

- b. Do you have an employment handbook? _____ YES _____ NO
c. Do you have an application for employment? _____ YES _____ NO
d. Do you have a sexual harassment and discrimination policy? _____ YES _____ NO
e. Do you have an employment at will statement? _____ YES _____ NO
f. Do you use outside legal counsel for employment advice? _____ YES _____ NO

2. Has the Applicant experienced in the past 24 months or do they anticipate in the next 24 months any merger, acquisition, consolidation, layoffs, reduction in force or reorganization? _____ YES _____ NO

If yes, provide details _____

3. For each of the past 3 years compute the overall annual turnover of employees. (Calculated as the number of separations during the year divided by the average number of employees on the payroll for each year.)

(year:) _____ % (year:) _____ % (year:) _____ %

Section IV Third Party Information

Please provide the following Third Party information:

- a. Does the Parent Company's and its Subsidiaries' sexual and workplace harassment and discrimination policy apply to customers, client, vendors, etc? YES NO
- b. Does the Parent Co & its Subsidiaries have a formal customer service/public interaction training program?
 YES NO
- c. Is a no tolerance workplace harassment and discrimination training program a part of the customer service training?
 YES NO
- d. Has there been during the past three years, or is there now pending, any written demand for monetary damages or non-monetary relief, civil or criminal proceeding, formal civil administrative or regulatory proceeding, or arbitration proceeding against the Parent Company, its Subsidiaries, or any director, member of the board of managers, management committee member, officer or any other person proposed for this insurance, involving any non-employment related discrimination or sexual harassment?
 YES NO

THE FOLLOWING QUESTION SHOULD ONLY BE ANSWERED IF THE APPLICANT DOES NOT CURRENTLY HAVE THIRD PARTY EMPLOYMENT PRACTICES LIABILITY AND/OR THIRD PARTY DISCRIMINATION COVERAGE:

- e. Does the Parent Company, its Subsidiaries, or any director, member of the board of managers, management committee member, officer or any other person proposed for this insurance have any knowledge or information of any fact, circumstance or situation involving any non-employment related discrimination or sexual harassment which could reasonably give rise to a claim against them?
 YES NO

***If the answer/s to d and/or e above is "yes," please complete FFIC Claims Supplement.**

Section V. Select the insurance requested

- 1. II. Employment Practices Liability Insurance Limits _____ Deductible _____
- 2. Information about the history of your other insurance- Please provide the following information about any similar insurance the Applicant carries now or carried in the last three years.
Insurer _____ Policy Period/s _____
Limits _____ Deductible _____ Annual Premium _____

Section VI Attachments- Please check one of the following.

- A. Employee Handbook (Copy required) or Corporate Employee Handbook (Copy not required)
- B. Employment Application(s) (Copies required) or Corporate Employment Application (Copy not required)

Section VII.

For the purpose of this Application, the undersigned authorized agent of the persons and entity(ies) proposed for this insurance declares that to the best of his/her knowledge the statements herein are true and correct. The Company is authorized to make any inquiry in connection with this Application as it may deem necessary. The signing of this Application does not bind the undersigned to complete the insurance.

It is agreed that this Application and information contained in and submitted with this Application shall be maintained on file with the Company, shall be relied upon by the Company and be the basis of the contract of insurance should a Policy be issued and are to be considered physically attached to the Policy and will become part of it, if issued.

It is agreed that if any of the information supplied on this Application changes between the date of this Application and the effective date of the insurance, the applicant will immediately notify the Company of such changes, and the Company at their sole discretion may withdraw or modify any outstanding quotations and/or authorizations or agreement to bind the insurance.

The undersigned authorized Officer declares that the individuals and entities proposed for this insurance understand: (A) No fact, circumstance or situation indicating the probability of a Claim or action against which indemnification would be afforded by the proposed insurance, is now known by any person(s) or entity(ies) applying for this insurance other than that which is disclosed in this Application? It is agreed by all concerned that if any person or entity(ies) applying for this insurance has any knowledge of any such fact, circumstance or situation, any Claim subsequently emanating therefrom shall be excluded from coverage under the proposed insurance;

(B) The proposed insurance applies only to claims first made or deemed made against the Insured(s) during the policy period and the extended reporting period (if applicable);

(C) The Limit of Insurance of the proposed insurance is reduced by amounts incurred as defense costs and such costs shall be subject to the applicable retained amount; and

(D) In the event the Limit of Insurance contained in the proposed insurance is exhausted by the costs of legal defense, the Company 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 Insurance of the proposed insurance.

Fraud Warning:

Any person who knowingly 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 hereto, commits a fraudulent insurance act which is a crime, which may be punishable by civil penalties in certain jurisdictions, including imprisonment, fines and denial of insurance benefits. (This paragraph is replaced in AR, CO, DC, FL, KY, LA, ME, MN, NJ, NM, NY, OH, OK, OR, PA, VA by attached form 141874.)

Applicant: _____

Signed by: _____ Date: _____

Print Name: _____

Print Title: _____

Note: This Application must be signed and dated by the Chairman, President, Chief Executive Officer, Chief Financial Officer or Chief Human Resources Executive of the Applicant acting as the authorized agent of the persons and entity(ies) proposed for this insurance.

Submitted by: _____

FRAUD STATEMENT

Important State Information – Please Read:

Applicable in Arkansas: Authority Section 23-66-503

Any person who knowingly presents a false or fraudulent claim for payment for 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.

Applicable in Colorado: Authority Section 10-1-127

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.

Applicable in District of Columbia: Authority Section 22-3825.9

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.

Applicable in Florida: Authority 817.234(b)

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 of the third degree.

Applicable in Kentucky: Authority 304.47-030

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.

Applicable in Louisiana: Authority Section 4 of HB 1868 (Act 1312, Laws 1999)

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.

Applicable in Maine: Authority Public Law chapter 675

It is a crime to knowingly provide false, incomplete or misleading information to an Insurance Company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

Applicable in Minnesota: Authority Section 60A.955

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.

Applicable in New Jersey: Authority 17:33A-6

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in New Mexico: Authority Section 8.H.141

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 civil fines and criminal penalties.

Applicable in New York: Authority 403; 11 NYCRR 62-4.2

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.

Applicable in Ohio: Authority 3999.21

Any person who, with intent to defraud or knowingly 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.

Applicable in Oklahoma: Authority 3613.1

WARNING: 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.

Applicable in Oregon: Authority ORS742.013

Any person who knowingly and with the 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, may be subject to criminal and/or civil liability.

Applicable in Pennsylvania: Authority Section 68.402

Any person who knowingly and with intent to defraud an insurance company or other person, files an application for insurance or statement of claim containing any materially false information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Applicable in Tennessee Authority Section 56-53-11

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.

Applicable in Virginia: Authority 52-40B

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.