



**MONARCH E&S**  
**INSURANCE SERVICES**

**Employment Practices Liability  
Insurance Program Application  
Claims-Made Coverage**

NOTICE: THIS INSURANCE PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY DEFENSE COSTS, CHARGES AND EXPENSES. FURTHER NOTE THAT SUCH DEFENSE COSTS, CHARGES AND EXPENSES SHALL BE APPLIED AGAINST THE APPLICABLE DEDUCTIBLE(S)/RETENTION(S).

**INSTRUCTIONS:**

1. Answer all questions and attach all additional information as required.
2. If a question is not applicable, indicate N/A.
3. If a question requires a comment or explanation, indicate it on the application in the space provided or in Section X, REMARKS of this Application.
4. This application must be dated and signed by one of the organization's principals, partners or officers. IT IS IMPORTANT THAT THIS INDIVIDUAL READ SECTION VIII. IMPORTANT NOTICES AND SECTION IX. APPLICANT'S REPRESENTATIONS AND SIGNATURE OF THIS APPLICATION CAREFULLY.

**NOTE:** The special meaning of words and phrases that appear in quotation marks (" ") are defined in Section XI. DEFINITIONS of this Application.

**Section I. GENERAL INFORMATION**

1. Name of Applicant Organization: \_\_\_\_\_  
\_\_\_\_\_
  2. Address: \_\_\_\_\_  
\_\_\_\_\_
  3. Contact Person: (Name) \_\_\_\_\_ (Title) \_\_\_\_\_  
Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email address: \_\_\_\_\_ Website: \_\_\_\_\_
  4. Form of organization:      \_\_\_ Corporation      \_\_\_ Partnership  
    \_\_\_ Individual Proprietor      \_\_\_ Joint Venture      \_\_\_ Public Entity  
    \_\_\_ Non-Profit Organization      \_\_\_ Other (specify) \_\_\_\_\_
- Is your organization a franchise? \_\_\_ Yes \_\_\_ No  
If Yes, please indicate which franchiser. \_\_\_\_\_
5. Indicate Primary SIC Code: \_\_\_\_\_
  6. Nature of Business: \_\_\_\_\_  
\_\_\_\_\_
  7. How long has your organization been in business?      \_\_\_ years.

8. Indicate your organization's annual receipts and payroll for the following financial years:

	<b>Receipts</b>	<b>Payroll</b>
(1) Last Financial Year-	\$ _____	\$ _____
(2) Current Financial Year-	\$ _____	\$ _____
(3) Next Financial Year-	\$ _____	\$ _____

**Section II. PRIOR EMPLOYMENT PRACTICES LIABILITY INSURANCE COVERAGE**

1. A. Do you currently have an Employment Related Practices or Employment Practices Liability Insurance Policy or Coverage in force? \_\_\_ Yes \_\_\_ No
- B. If Yes, indicate the insurer: \_\_\_\_\_, the expiration date: \_\_\_\_\_, and limits \$ \_\_\_\_\_
2. Has an insurer ever canceled or non-renewed this type of insurance? \_\_\_ Yes \_\_\_ No  
If Yes, explain in the Remarks Section. (Question not applicable to Missouri applicants).

**Section III. LOSS HISTORY**

1. **Complete a SUPPLEMENTAL CLAIM FORM for each employment practice claim, lawsuit or "incident" (i.e., wrongful termination, discrimination, sexual harassment, etc.) you have had in the past three (3) years, and attach it to this application.**

If you have had no claims of this type in the past three years, indicate none. \_\_\_ None, or if you have had claims, indicate the number: \_\_\_\_\_

2. Other pending "incidents"  
Is any "management or supervisors" aware of any other pending "incidents" during the past two (2) years, which may result in claims being made against you? \_\_\_ Yes \_\_\_ No

If Yes, provide details in the Remarks Section.

3. Has your organization been involved in any grievance or other administrative hearing before or under any of the following agencies or legislative acts? Explain any Yes answer in the Remarks Section.

	Yes	No		Yes	No
National Labor Relations Board			Civil Rights Act of 1991		
Equal Employment Opportunity Commission			Age Discrimination In Employment Act		
Federal Labor Standards Act			Americans With Disabilities Act		
Fair Labor Standards Enforcement Act			U.S. Department of Labor		
Title VII of the Civil Rights Act of 1994			Any state or governmental agency (i.e., Labor Department or Fair Employment Agency)		

**Section IV. CORPORATE HISTORY/PLANS**

(Provide details in the Remarks Section for any Yes answers.)

A. Has your organization acquired any other organizations within the past two (2) years? \_\_\_ Yes \_\_\_ No

If Yes, were any of the "employees" or "officers" of the acquired organization terminated? \_\_\_ Yes \_\_\_ No

B. If Yes, do you plan in the next eighteen (18) months to terminate any of the "employees" or "officers" of the acquired organization? \_\_\_ Yes \_\_\_ No

- C. Does your organization anticipate any of the following in the next twelve (12) months?
- Selling, closing, consolidating or spinning-off any plants, offices, subsidiaries or divisions? \_\_\_ Yes \_\_\_ No
- Down-sizing, right-sizing, layoffs or any other reduction in number of "employees"? \_\_\_ Yes \_\_\_ No
- Acquiring or merging with any other organization? \_\_\_ Yes \_\_\_ No
- Creation of any new business, subsidiary, division, or location? \_\_\_ Yes \_\_\_ No
- Increase in the number of "employees" by more than 20%? \_\_\_ Yes \_\_\_ No

**Section V. EMPLOYEES**

1. Indicate the total number of workers currently on your payroll below (all employees who will receive a W-2 form should be included). **Do not include "leased workers" or "temporary workers".**

Type of Individual	No.
Full-time, regular and temporary persons working a standard workweek	
Part-time, regular and temporary persons working a standard workweek	
"Interns"	
"Seasonal Employees"	
"Volunteers"	
<b>Total</b>	

Of the total number of workers, indicate the number who are union members \_\_\_\_\_

2. Please provide a breakdown by state or foreign country of the number of workers for each category.

State/Foreign Country	Full-time	Part-time	"Interns"	"Seasonal"	"Volunteers"

3. A. Does your organization use "leased workers"? \_\_\_ Yes \_\_\_ No  
 B. Does your organization use independent contractors? \_\_\_ Yes \_\_\_ No  
 C. If yes, would you like to cover them under this policy? \_\_\_ Yes \_\_\_ No

If yes, indicate the total number of "leased workers" to be covered \_\_\_\_\_

If yes, indicate the total number of independent contractors to be covered \_\_\_\_\_

(Please attach a copy of your employee leasing agreement and or independent contractor agreement)

(Do not include "leased workers" or independent contractors in any categories listed above)

4. Of the total number of "employees" indicated in 1 above, indicate how many are in each of the following categories.
- A. Salary and bonus less than \$50,000 \_\_\_\_\_
- B. Salary and bonus between \$50,000 and \$100,000 \_\_\_\_\_
- C. Salary and bonus between \$100,000 and \$250,000 \_\_\_\_\_
- D. Salary and bonus in excess of \$250,000 \_\_\_\_\_

What is your organization's annual employee turnover for each of the last three (3) years:

Years	20____	20____	20____
*Number of "Employees"			
Involuntary Termination			
Voluntary Termination (non-retirement)			
Retired			

\* Highest Number of "Employees" employed at any one time during the year.

6. Are there any written employment agreements with:

- A. Non-Officer Employees \_\_\_ Yes \_\_\_ No  
 B. Officers/Partners \_\_\_ Yes \_\_\_ No

**Section VI. HUMAN RESOURCES AND CORPORATE POLICY**

1. A. Do you publish an employment handbook? \_\_\_ Yes \_\_\_ No

If Yes, please attach a copy, and answer the following:

B. Do you distribute it to all "employees"? \_\_\_ Yes \_\_\_ No

C. Does it contain an "at will " statement? \_\_\_ Yes \_\_\_ No

D. Do you obtain a signed acknowledgment from your "employees" that they have received it? \_\_\_ Yes \_\_\_ No

E. When was it last updated? \_\_\_\_\_

2. Have you adopted and implemented anti-sexual harassment policies and written procedures? \_\_\_ Yes \_\_\_ No

3. Do you have any written "employee" grievance or complaint procedures? \_\_\_ Yes \_\_\_ No  
 If yes, please attach a copy.

4. Do you have an EEOC Statement or have you adopted anti-discrimination policies and developed written procedures for the selection of "employees" for hiring, promotion, transfer, layoff, salary increases, work assignments and other employment related practices? \_\_\_ Yes \_\_\_ No

5. A. Do your managers and supervisors attend training, education programs or seminars on employer-employee relations and conflict resolution? \_\_\_ Yes \_\_\_ No

B. If Yes, was such training conducted during the last year? \_\_\_ Yes \_\_\_ No

6. Does your organization have a formal Human Resources/Personnel Department? \_\_\_ Yes \_\_\_ No

If Yes, how many employees are in this department? \_\_\_\_\_

If No, explain in the Remarks Section who handles this function and their title:

Name: \_\_\_\_\_ Title: \_\_\_\_\_

7. Are all terminations reviewed by a third party **prior** to any action being taken? \_\_\_ Yes \_\_\_ No.

If Yes, by whom? Check all that apply.

- \_\_\_ owners/upper management/managing partners
- \_\_\_ HR manager or person in charge of HR
- \_\_\_ Outside legal counsel experienced in employment law
- \_\_\_ In-house counsel
- \_\_\_ Other – please explain \_\_\_\_\_

8. Does your organization have in-house counsel that consults in employment related matters? \_\_\_ Yes \_\_\_ No

9. A. Does your organization have a labor law firm with which you regularly work?  Yes  No  
 If Yes, what is the name of the firm? \_\_\_\_\_
- B. Does this firm periodically review your employment policies and procedures?  Yes  No
10. Do you use an employment application for all job applicants?  Yes  No
- A. If Yes, please attach a copy. If No, explain in the Remarks Section how this is handled.
- B. If Yes, does it contain an "at will" statement?  Yes  No
11. Do you provide a formal training program for all new "employees"?  Yes  No
12. A. Do you provide all "employees" with regular, written performance evaluations?  Yes  No  
 B. If Yes, are they evaluated at least annually?  Yes  No
13. A. Do you provide periodic education on illegal discrimination and harassment to your "employees"?  Yes  No  
 B. If Yes, is it provided at least annually?  Yes  No
14. Do you have written job descriptions for each position?  Yes  No
15. Do you have any written arbitration procedures?  Yes  No  
 If Yes, describe in Remarks.

## Section VII. CHECKLIST

Have you included the following items with this application:

1. Employee Leasing Agreement or Independent Contractor Agreement (If you answered Yes to Question V.2.A 05 V.2.B)  Yes  No
2. Employment Handbook? (If you answered Yes to Question VI.1.A.)  Yes  No
3. Written Complaint Procedure? (If you answered Yes to Question VI.3.)  Yes  No
4. Employee Application? (If you answered Yes, to Question VI.10.A.)  Yes  No
5. Please provide EEO-1 Report for the last calendar year (if applicable)?  Yes  No
6. Please provide latest 10K Report and Annual Report (if applicable)?  Yes  No

## Section VIII. IMPORTANT NOTICES

1. If the inception date of the policy period is more than thirty (30) days after the date of this application, a signed declaration that statements and information provided in this application have not changed or a new signed and dated application will be required.
2. If you are signing this application, note the following:

**NOTICE:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON SUBMITS AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE, INCOMPLETE OR MISLEADING INFORMATION MAY BE GUILTY OF A CRIME, AND MAY BE SUBJECT TO CRIMINAL AND CIVIL PENALTIES AND DENIAL OF INSURANCE BENEFITS.



## Section XI. DEFINITIONS

The words and phrases in this Application that appear in quotation marks ( " ") have special meaning and are defined below.

1. "At will" defined as an explicit statement of the employer-employee relationship in that either party may terminate the relationship at any time for any reason and without notice.
2. "Employee" means:
  - a. an individual whose labor or service is engaged by and directed by you. This includes "part-time employees," "seasonal employees," "temporary employees," "temporary workers," "interns," "volunteers" and "management or supervisors;"
  - b. an individual who is a "leased worker", provided such individual shall be deemed an "employee" only if, and to the extent that you provide indemnification to such individual for services rendered as if they were rendered by an actual "employee" of yours, and the labor leasing firm(s) with whom you have such agreement(s) is(are) scheduled by written endorsement to any Policy that is issued; and
  - c. an individual who is an independent contractor contracted to perform services for you; provided that such individual shall be deemed an "employee" only if, and to the extent that you provide indemnification to such individual for services rendered as if they were rendered by an actual "employee" of yours, and provided further that such individual is scheduled by written endorsement to any Policy that is issued. Coverage will not apply to any loss which you are obligated to pay to an independent contractor for overtime pay, vacation pay, or any employee benefit.
3. "Incident" means any complaints, suits or other actions by any "employee(s)", or former "employee(s)", against your organization where:
  - a. A third party (such as a government agency, lawyer, union, etc.) was involved, and/or
  - b. A termination settlement was non-standard and extra compensation or benefits were paid. (i.e., the "employee" or former "employee" wants financial compensation, and/or a change in work status from you for alleged injuries or damages relating to his/her employment, work environment, or termination. This includes all incidents relating to such actions regardless of the merits, findings, or payments.)
4. "Intern" means a person who is an advanced student or recent graduate in a professional field who provides services to your organization or is receiving practical experience from your organization without any express or implied promise of remuneration. Coverage is only extended to "interns" while they are acting at the direction of and within the scope of duties for you.
5. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
6. "Management and Supervisors" means a director, owner, partner, principal, officer, in-house attorney, or shareholder of your organization, the personnel or human resources director, risk management personnel or any other "employee" of your organization having management-level responsibility for personnel matters (i.e., ability to hire, terminate, demote or prepare a written evaluation of employees).
7. "Part Time Employee" means an "employee" whose labor or service is engaged on the basis that the "employee" will not work more than twenty (20) hours per week.

8. "Salary and bonus" is defined as including all remuneration to an "employee" including:
  - a. Wages or salaries;
  - b. Commissions and draws against commissions;
  - c. Bonuses including stock bonus plans;
  - d. Extra pay for overtime work;
  - e. Pay for holidays, vacations, or periods of sickness.
9. "Seasonal employee" means, an "employee" whose labor or service is engaged on the basis that the "employee" will not work more 1,000 hours per year.
10. "Temporary employee" means, an "employee" or "part-time employee" whose labor or service is engaged for a specific time period or project. "Temporary employee" does not include a "temporary worker".
11. "Temporary worker" means a person who is furnished to you through an outside temporary employment agency to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
12. "Volunteer worker" means a person who provides services to your organization without any express or implied promise of remuneration. Coverage is only extended to a "volunteer worker" while acting at the direction of, and within the scope of duties for you.