

National Casualty Company

Home Office:

Madison, Wisconsin

Administrative Office:

8877 North Gainey Center Drive • Scottsdale, Arizona 85258

1-800-423-7675

APPLICATION FOR PERSONNEL CONSULTANTS AND TEMPORARY HELP SERVICES PROFESSIONAL LIABILITY AND EMPLOYMENT PRACTICES LIABILITY

**THE EPLI COVERAGE IS ON A CLAIMS MADE AND REPORTED BASIS.
PLEASE READ THE COVERAGE PART CAREFULLY.**

NOTICE: THE DEDUCTIBLE AMOUNTS SHOWN IN THE PERSONNEL CONSULTANTS AND TEMPORARY HELP SERVICES PROFESSIONAL LIABILITY AND EMPLOYMENT PRACTICES LIABILITY COVERAGE PARTS WILL BE APPLIED TO BOTH DAMAGES AND CLAIM EXPENSE. CLAIM EXPENSE WILL BE CHARGED AGAINST THE DEDUCTIBLES AND WILL NOT EXCEED FIFTY PERCENT (50%) OF SUCH DEDUCTIBLES. THE COMPANY WOULD ASSUME ANY CLAIM EXPENSE OVER THIS AMOUNT.

1. Name of **Applicant** (please include DBAs): **(Use an additional sheet of paper if necessary)** _____

Address: _____

City: _____ State: _____ Zip: _____

Contact Name: _____ Title: _____

Phone: _____ Web site Address: _____ Fax: _____

Subsidiaries/Branch Offices: **(Use an additional sheet of paper if necessary)** _____

2. Applicant is: Individual Partnership Corporation LLC Other: _____

3. Applicant is: Franchisor? Yes No

Franchisee? Yes No

4. Date established: ____ / ____ **If less than two years, please attach resumes of all principals.**

5. Limits of Liability desired for Professional Liability:

\$250,000/\$500,000 \$250,000/\$750,000 \$500,000/\$500,000

\$1,000,000/\$1,000,000 \$1,000,000/\$2,000,000 Other: \$ _____ / \$ _____

Deductible desired for Professional Liability:

None \$2,500 \$5,000 \$7,500 \$10,000 \$25,000

\$50,000 Greater than \$50,000 (indicate amount): \$ _____

MAXIMUM DEDUCTIBLE WILL BE DETERMINED AFTER UNDERWRITING REVIEW.

6. Effective date desired: _____

7. Principal industries served by the Applicant for Temporary Placements: _____

Principal industries served by the Applicant for Permanent Placements: _____

8. Provide the following financial information for the last two years (REQUIRED):	Current Year (12 month numbers— estimate if necessary)	Previous Year (12 month actual)
TOTAL ANNUAL GROSS REVENUES (Revenues before expenses)	\$	\$
TOTAL ANNUAL GROSS REVENUES DERIVED FROM PERMANENT PLACEMENT	\$	\$
TOTAL ANNUAL GROSS REVENUES DERIVED FROM TEMPORARY HELP PLACEMENT	\$	\$
TOTAL ANNUAL GROSS REVENUES DERIVED FROM OTHER SERVICES	\$	\$
Identify "OTHER" Services:		

9. Does Applicant have positive net worth? Yes No
10. Does Applicant have sufficient working capital? Yes No

If questions 9. and/or 10. are answered "No," please submit your most current annual financial statement.

11. How many Permanent Placements do you average annually? _____
12. How many Temporary Placements do you average annually? _____
13. a. Please provide the total amount of annual temporary placement payroll, if any: \$ _____

If a payroll amount was indicated in question 13.a. above, please provide the percentage of total payroll for Temporary Placements by type: (This must add up to one hundred percent [100%])

A	Clerical _____ %	D	Accountant*** _____ %
	Secretarial _____ %		Actuary*** _____ %
B	Construction _____ %		Auditor _____ %
	Temporary Drivers* _____ %		Collection Agent _____ %
	Industrial/Manufacturing (describe placements in detail): _____ _____ _____		Customer Service Representative _____ %
C	Bank Teller _____ %		Insurance Adjuster _____ %
	Bookkeeper _____ %		Investment Counselor, Broker or Advisor _____ %
	Call Center _____ %		Lawyer*** _____ %
	Data Entry _____ %		Security Guard, Consultant, Trainer, Private _____ %
	Facilities/Property Management _____ %	E	Information Technology*** _____ %
	Food Service Worker _____ %		EDP Software Engineer*** _____ %
	Hospitality _____ %		EDP Programmer*** _____ %
	Human Resources _____ %	F	EDP Other*** (describe): _____ _____
	Management Consultant _____ %		Architect*** _____ %
	Mortgage Broker _____ %		Draftsman*** _____ %
			Civil Engineer*** _____ %

Paralegal	_____ %	Electrical Engineer***	_____ %
Real Estate Agent	_____ %	Mechanical Engineer***	_____ %
Sales Personnel	_____ %	Medical**	_____ %
Telemarketer	_____ %		
Other _____ % (describe): _____			

* **There is no coverage under the policy for the selection, recruitment or placement of temporary drivers of any vehicle or equipment for any client.**

** **Medical placement services are ineligible.**

- b. *** If temporary Professional Placements are made, are written client services contracts used? Yes No N/A
- If "Yes,"
1. Do they contain an Arbitration Clause? Yes No
 2. Do they contain a Hold Harmless Clause? Yes No
 3. Do they contain a Direction and Control of Client Clause? Yes No

If you have answered "No" to 2. and/or 3. above, you will be required to implement a Hold Harmless Clause and/or a Direction and Control Clause to your client services contracts for Professional Placements within ninety (90) days. Will you agree to do this? Yes No N/A

- c. If Architect or Engineer Temporary Placements are made, do they have sign-off authority on any project including blueprints? Yes No N/A
- d. If Insurance Adjuster Temporary Placements are made, do they have check drafting or claim settlement authority? Yes No N/A

14. **By state, please list the total number of locations and employees (including owners and employees of subsidiaries for which coverage is desired) for the current year:**

STATE (in which you have office locations)	NUMBER OF LOCATIONS	NUMBER OF PROFESSIONALS/PLACERS INVOLVED IN RECRUITING (including owners)	ALL OTHER EMPLOYEES/ INDEPENDENT CONTRACTORS IN YOUR OFFICE	TEMPORARY EMPLOYEES/ INDEPENDENT CONTRACTORS YOU PLACE WITH CLIENTS

15. Has Applicant's staff increased or decreased fifteen percent (15%) or more in the past year? Yes No
- If "Yes," please explain: _____

16. **Percentage of employees by salary range (each column totals to one hundred percent [100%]):**

RANGE	100% OF ALL EMPLOYEES (including owners)	100% OF PERMANENT PLACEMENTS MADE	100% OF TEMPORARY EMPLOYEES YOU PLACE WITH CLIENTS
Less than \$30,000	%	%	%
\$30,000 to \$50,000	%	%	%
\$50,001 to \$100,000	%	%	%
\$100,001 to \$200,000	%	%	%
Over \$200,000	%	%	%

17. Does the Applicant conduct reference checks? Yes No
18. Does the Applicant conduct background checks? Yes No
 a. If "Yes," on what percentage of candidates? %

19. Does the Applicant have a written procedural manual for employees to follow? Yes No

20. Is commercial general liability coverage currently in force? Yes No
 If "Yes," please provide:
 Insurance Company: _____
 Expiration date: _____ Limit of Liability: _____

21. Is errors and omissions or professional liability insurance currently in force? Yes No
 If "Yes," please provide:
 Insurance Company: _____
 Expiration date: _____ Limit of Liability: _____ Premium: _____ Deductible: _____
 Is the policy: * Claims Made form Occurrence form
 *If your current policy is a "Claims Made" form, **please provide the Retroactive or Prior Acts Date:** _____
Please submit your most current errors and omissions or professional liability declarations page.

22. **IS EMPLOYMENT PRACTICES LIABILITY (EPLI) COVERAGE DESIRED?** Yes No
IN EITHER CASE, THE CLAIM HISTORY QUESTION 35. MUST BE COMPLETED AND SIGNATURE IS REQUIRED ON THIS APPLICATION.
IF EPLI COVERAGE IS DESIRED, PLEASE COMPLETE THE FOLLOWING QUESTIONS: THE EPLI COVERAGE IS ON A CLAIMS MADE AND REPORTED BASIS. PLEASE READ THE COVERAGE PART CAREFULLY.

23. Limits of Liability for EPLI: The EPLI Coverage Part will have separate Limits of Liability; however, the EPLI Limits of Liability must be equal to the Limits of Liability selected for the Professional Liability Coverage Part in Question 5. above.

- EPLI Deductible desired:
 \$2,500 \$5,000 \$7,500 \$10,000 \$25,000 \$50,000
 Greater than \$50,000—Indicate amount: \$ _____

MAXIMUM DEDUCTIBLE WILL BE DETERMINED AFTER UNDERWRITING REVIEW.

24. Does Applicant have an employee handbook or manual? Yes No
25. Does Applicant have an individual trained to handle personnel/Human Resource functions? Yes No

If questions 24. and/or 25. are answered "No" and the applicant has fifty (50) or more employees (including temporary workers), the Applicant will be required to implement these within ninety (90) days of the effective date of any policy that may be issued. Will you agree to implement these within ninety (90) days? Yes No

26. Does Applicant provide a sexual harassment statement to your employees as follows?
- a. Statement clearly states who an incident should be reported to (including an alternate if needed)? Yes No
 - b. Statement advising them that they need to advise management if they are being harassed in any fashion? Yes No
 - c. Statement is signed by the employee? Yes No
27. Does Applicant provide an EEOC statement to your employees which is signed by the employee? Yes No
28. Does Applicant provide an At Will statement to your employees? Yes No
29. Are all equal opportunity notices posted in common areas? Yes No
30. Does Applicant have procedures to comply with the American Disabilities Act? Yes No
31. Does Applicant use a formal, standardized employment application with an EEOC statement? Yes No
32. Does Applicant maintain written records of all performance reviews and disciplinary actions? Yes No
33. Does Applicant have a written procedure in place that explains to management what procedures should be followed if a Temporary Placement Worker notifies the Applicant that he or she has been harassed? Yes No N/A

If any of questions 26. through 33. are answered "No" and the Applicant has ten (10) or more employees (including temporary workers), the Applicant will be required to implement procedures to comply with the appropriate Employment Practices within ninety (90) days of the effective date of any policy that may be issued. Will you agree to implement the required procedures within ninety (90) days? Yes No N/A

34. Is employment practices liability coverage currently in force? Yes No

If "Yes," please provide:

Insurance Company: _____

Expiration date: _____ Limit of Liability: _____ Premium: _____ Deductible: _____

Is the policy: * Claims Made form Occurrence form

*If Applicant's current policy is a "Claims Made" form, **please provide the Retroactive or Prior Acts Date:** _____

Please submit your most current employment practices liability declarations page.

35. CLAIMS HISTORY

- a. **Have there been any Professional Liability or Employment Practices Liability (EPLI) claims, incidents or regulatory complaints made against you, any employee or former employee, the Applicant or anyone proposed for this insurance, in the last five years?** Yes No

If "Yes," how many? _____

If "Yes," please complete a Claim/Circumstance/Administrative Hearings Supplement for each claim.

- b. **Are you or anyone proposed for this insurance aware of any circumstances which might give rise to a Professional Liability or EPLI claim, incident or regulatory complaint?** Yes No

If "Yes," how many? _____

If "Yes," please complete a Claim/Circumstance/Administrative Hearings Supplement for each incident.

- c. **Are you or anyone proposed for this insurance aware of any charges, inquiries, investigations, grievances or other administrative hearings in the last five years or currently?** Yes No

If "Yes," how many? _____

If "Yes" to any, please complete a Claim/Circumstance/Administrative Hearings Supplement for each.

- d. **Was prior Professional Liability and/or EPLI coverage ever cancelled or nonrenewed? (OTHER THAN BEING NONRENEWED DUE TO THE CARRIER NO LONGER WRITING THESE COVERAGES) (NOT APPLICABLE TO MISSOURI APPLICANTS)** Yes No

IF "YES," PLEASE EXPLAIN REASON FOR NONRENEWAL OR CANCELLATION: _____

NOTE: THE APPLICANT UNDERSTANDS AND AGREES THAT IF ANY FACTS, INCIDENTS OR CIRCUMSTANCES EXIST WHICH MAY REASONABLY GIVE RISE TO A CLAIM UNDER THIS PROPOSED POLICY, THEN ANY CLAIMS ARISING FROM SUCH FACTS, INCIDENTS OR CIRCUMSTANCES ARE EXCLUDED FROM COVERAGE.

SIGNATURE SECTION AND OTHER INFORMATION

NOTE: Please recheck all answers and sign below. Coverage cannot be bound without signature or if this application is incomplete.

THE UNDERSIGNED REPRESENTS TO THE BEST OF HIS OR HER BELIEF AND KNOWLEDGE, AFTER REASONABLE INQUIRY AND DUE DILIGENCE, THE STATEMENTS SET FORTH IN THIS APPLICATION AND ANY SUPPLEMENTS THERETO ARE TRUE AND CORRECT.

THE UNDERSIGNED DECLARES THAT ANY CLAIM, INCIDENT OR CIRCUMSTANCE TAKING PLACE PRIOR TO THE EFFECTIVE DATE OF THE INSURANCE APPLIED FOR WILL IMMEDIATELY BE REPORTED IN WRITING TO THE INSURER. AS A RESULT, THE INSURER MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATION OR AGREEMENT TO BIND THE INSURANCE.

THE SIGNING OF THIS APPLICATION DOES NOT BIND THE UNDERSIGNED TO PURCHASE THE INSURANCE, NOR DOES THE REVIEW OF THIS APPLICATION BIND THE INSURANCE COMPANY TO ISSUE A POLICY.

THE APPLICANT UNDERSTANDS AND AGREES THIS APPLICATION AND ANY SUPPLEMENTS THERETO SHALL BE INCORPORATED INTO ANY POLICY THAT MAY BE ISSUED AND THE UNDERWRITERS ARE RELYING ON THE TRUTH OF THE STATEMENTS SET FORTH HEREIN IN MAKING A DETERMINATION TO ISSUE ANY POLICY. THE APPLICANT ALSO UNDERSTANDS AND AGREES THIS APPLICATION FOR COVERAGE DOES NOT MEAN ANY REQUESTED COVERAGES, LIMITS OR DEDUCTIBLES SHALL BE GRANTED IN FACT; UNDERWRITERS MUST AGREE TO ANY REQUESTS WHETHER IN THE APPLICATION OR OTHERWISE.

THE UNDERSIGNED INDIVIDUAL REPRESENTS HE OR SHE IS DULY AUTHORIZED AND EMPOWERED TO MAKE THIS APPLICATION, INCLUDING THE REPRESENTATION, ON BEHALF OF THE APPLICANT OR ANY INDIVIDUAL WHO MAY SEEK COVERAGE UNDER ANY BINDER OR INSURANCE POLICY ISSUED IN RELIANCE HEREON.

By your signature below, you also acknowledge that you are aware that for the Professional Liability and Employment Practices Liability Coverage Parts, claim expense which is incurred shall be applied against the deductible up to fifty percent (50%) of such deductible and the Company will assume any claim expense over this amount.

FRAUD WARNING: 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.

Name of Applicant

Signature and Title of Principal (must be owner, partner or officer)

Date

Print Name and Title of Principal Signing Above

Signature of Individual Responsible for Human Resources

Date