

# National Casualty Company

Home Office:

Madison, Wisconsin

Administrative Office:

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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 BASIS.**

**PLEASE READ THE COVERAGE PART CAREFULLY.**

NOTICE TO THE INSURED: THIS APPLICATION FOR THE EPLI COVERAGE PART IS ON A CLAIMS MADE BASIS. PLEASE READ THE COVERAGE PART CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER. EXCEPT FOR THE EXTENDED REPORTING PERIOD, THERE IS NO COVERAGE FOR CLAIMS REPORTED AFTER TERMINATION OF COVERAGE. DURING THE FIRST SEVERAL YEARS OF THE CLAIMS MADE RELATIONSHIP, CLAIMS MADE RATES ARE COMPARATIVELY LOWER THAN OCCURRENCE RATES, AND AN INSURED CAN EXPECT SUBSTANTIAL ANNUAL PREMIUM INCREASES, INDEPENDENT OF OVERALL RATE LEVEL INCREASES, UNTIL THE CLAIMS MADE RELATIONSHIP REACHES MATURITY.

THE DEDUCTIBLE AMOUNT 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 DEDUCTIBLE AND WILL NOT EXCEED FIFTY PERCENT (50%) OF SUCH DEDUCTIBLE. 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:

\$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)
<b>TOTAL ANNUAL GROSS REVENUES (Revenues before expenses)</b>	\$	\$
<b>TOTAL ANNUAL GROSS REVENUES DERIVED FROM PERMANENT PLACEMENT</b>	\$	\$
<b>TOTAL ANNUAL GROSS REVENUES DERIVED FROM TEMPORARY HELP PLACEMENT</b>	\$	\$
<b>TOTAL ANNUAL GROSS REVENUES DERIVED FROM OTH- ER SERVICES</b>	\$	\$
<b>Identify "OTHER" Services:</b>		

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

**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.

\_\_\_\_\_  
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