

## Appetite Guide and Contact Information

CNA provides EPL coverage on a primary and excess basis with limits available up to \$15 million.

### Targeted Business:

- Publicly held, financial stable companies
- Companies with 7,500 or fewer employees; our "sweet spot" is between 500 to 2,500 employees.
- Sound human resource policies and procedures.

### Targeted Industries:

Manufacturing	Packaging	Printing	Heavy Industrial
Plastics	Oil / Gas	Publishing	Insurance
Banking & Finance	Retail	Construction	Delivery Services
Trucking / Transportation	Pharmaceuticals	Service Companies	Consulting
Telecommunications	Technology (Hardware & Software)		Non Franchised Restaurants

### A completed EPLI submission should contain the following information:

- Completed and Signed CNA EPLI Application [www.cnapro.com/pdf/EPL\\_Solutions\\_App%2005-07.pdf](http://www.cnapro.com/pdf/EPL_Solutions_App%2005-07.pdf)
- Most recent consolidated EEO-1 report
- Most recently updated Employee Handbook
- Employment Application
- Litigation and EEOC/State Agency charge information from the last 3 years

### Limited Appetite Classes:

- Companies with 10,000 or more employees.

### Limited Industries:

Nursing Homes, Hospitals, Airlines, Leasing, Entertainment, Real Estate, Car Dealerships, Hotels, Heavy Sales Organizations, Franchise Restaurants, Temporary/Employment Agencies, Securities Broker/Dealers

### EPL Classes written elsewhere in CNA:

Privately held companies, Financial Institutions, Real Estate Investment Trusts, Law Firms



**Dan Fortin,**  
Senior Vice President,  
312-822-5177  
daniel.fortin@cna.com

### Corporate Governance

- Publicly Traded Companies
- Directors & Officers Liability
  - Side – A DIC Directors & Officers Liability
  - Fiduciary Liability

**Thor Beveridge**  
609-395-4225  
thor.beveridge@cna.com

### Commercial Crime

**Tom Huber**  
609-395-4243  
thomas.huber@cna.com

### Employment Practices Liability

**Edward T. McNally II, Esq.**  
913-661-2839  
edward.mcnellyll@cna.com

- Private Equity  
REIT's  
Diversified Commercial

**Mark Reilly**  
212-440-3780  
mark.reilly@cna.com

### Financial Institutions

#### Financial Institutions

**Tom Kocaj**  
212-440-3753  
thomas.kocaj@cna.com

#### Capital Markets

**Thomas Ruck**  
212-440-7398  
thomas.ruck@cna.com

#### Insurance Companies

**Anthony Battaglia**  
212-440-7033  
anthony.battaglia@cna.com

#### Life Agents

**Linda Liner**  
314-317-2565  
linda.liner@cna.com

### Large Lawyers

- Lawyers Professional Liability
- Primary or first excess layer preferred
  - Most effective on firms with 35 to 300 attorneys
  - \$10M in capacity

**Stuart Pattison**  
212-440-7447  
stuart.pattison@cna.com

#### Management Liability Solutions – D&O and EPL for Law firms

**Mark Reilly**  
212-440-3780  
mark.reilly@cna.com

### Miscellaneous E&O

- Global Technology Errors & Omissions  
Miscellaneous Professional Liability  
Media Solutions  
Excess Professional Liability

**John Coletti**  
212-440-3772  
john.coletti@cna.com

#### *Appetite:*

- Commercial Entities with revenue > \$50M
- Limits of \$10M to \$15M
- Preferred attachment point is in the first \$50M





**NOTICE**

THE POLICY YOU ARE APPLYING FOR APPLIES ONLY TO ANY CLAIM FIRST MADE DURING THE POLICY PERIOD AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD OR REPORTED WITHIN ANY APPLICABLE EXTENDED REPORTING PERIOD PROVIDED BY THE POLICY. NO COVERAGE EXISTS FOR CLAIMS FIRST MADE AGAINST AN INSURED AFTER THE END OF POLICY PERIOD UNLESS, AND TO THE EXTENT THAT, AN EXTENDED RPEORTING PERIOD APPLIES. DEFENSE COSTS REDUCE THE LIMITS OF LIABILITY.

**PLEASE DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.**

Complete and submit all requested information and required attachments. This Application and all materials submitted or required shall be held in confidence. Desired Effective Date: \_\_\_\_\_

**I. General Information**

1. The Company to be named in Item 1 of the Declarations (the "Company"):

\_\_\_\_\_  
Street Address: \_\_\_\_\_  
(Do not use P.O. Box)  
City: \_\_\_\_\_ State of Incorporation: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Web Address: \_\_\_\_\_  
Officer designated to receive correspondence and notices from the Insurer:  
\_\_\_\_\_  
(Name of Officer) (Title)

**II. Employment Practices Liability Information**

1. Company Size: Total Number of Employees: Current: \_\_\_\_\_; 1 year ago: \_\_\_\_\_; 2 years ago: \_\_\_\_\_  
a. Total Number of Employees in the following categories:

Full time	Part time	Loaned and/ or leased	Temporary or seasonal	Foreign based	Union employees	Independent Contractors

- b. What percentage of Employees have salaries (including bonuses)

Less than %50,000	\$50,000 to \$100,000	\$100,000 to \$250,000	Greater than \$250,000
%	%	%	%

- c. How many employees, including executives, have been involuntarily terminated in the past two years?

Employees	Executives

- d. For each of the most recent years, what has been your annual turnover rate of employees?

Year:	Year:
%	%

2. Is the Applicant a federal contractor subject to Executive Order 11246? Yes  No   
3. Are all union members subject to a collective bargaining agreement? Yes  No   
4. Does the Applicant have a full-time Human Resources or Personnel Department director or manager? Yes  No



5. Are employee relations matters in all locations handled by an on-site Human Resources representative? Yes  No   
If No, who handles them? \_\_\_\_\_
6. Does the Applicant have contractual agreements with third parties (e.g. security guards) that perform services at their facilities? Yes  No   
If Yes, are the agreements in writing and do they include an agreement to hold harmless and/or indemnify the Applicant for wrongful actions by such contractors? Yes  No
7. Have any mergers or acquisitions been completed in the last 2 years? Yes  No
8. Has the Applicant had any layoffs, staff reductions, facility closings or consolidations during the past twelve (12) months which resulted in termination of more than 5% of the workforce at any one business location or anticipate any business closing or layoffs in the next twelve (12) months that will affect more than 5% of the workforce at any one business location? Yes  No
9. Total number of employees in the top 6 operating state(s) or foreign country(ies) by employee count and the percentage of the Applicant's employee base:
- |       |         |       |         |
|-------|---------|-------|---------|
| _____ | _____ % | _____ | _____ % |
| _____ | _____ % | _____ | _____ % |
| _____ | _____ % | _____ | _____ % |

**III. Insurance/Claims Information**

1. During the past five (5) years, has Employment Practices Liability insurance purchased or applied for by the Applicant been cancelled or non-renewed? **(This question is not applicable in Missouri.)** Yes  No   
If Yes, attach complete details, including reason for, and date of, cancellation or non-renewal and if the extended reporting period was or will be exercised.
2. Have there been any employment-related charges or complaints in the last three (3) years? Yes  No
3. Has the Applicant or any subsidiary given written notice under the provisions of any prior or current Employment Practices liability policy of specific facts or circumstances which might give rise to a claim being made against any Insured? Yes  No
4. During the past three (3) years, has the Applicant, subsidiary or any employee of the Applicant or subsidiary been involved in any employment or labor related litigation? Yes  No
5. During the past three (3) years, has the Applicant, subsidiary or any employee of the Applicant or subsidiary been involved class action employment or labor related litigation? Yes  No
6. During the past three (3) years, has the Applicant, subsidiary or any employee of the Applicant or subsidiary been involved in any administrative proceeding before any of the following regulatory bodies:
- The U.S. Department of Labor including the Office of Federal Contract Compliance Programs (OFCCP) Yes  No
  - The Equal Employment Opportunity Commission (EEOC) or any state or local government agency whose purpose is to address employment-related claims? Yes  No
7. Is the Applicant or any subsidiary currently required to comply with any judicial or administrative agreement, order, decree or judgment relating to employment matters? Yes  No
8. In the past five (5) years, have there been any employment-related losses or complaints against the contractor, franchise or leased workers? Yes  No
9. Does the contractor, franchise or leased workers currently have Employment Practices Liability insurance that covers claims by third parties? Yes  No

10. Has the Applicant or any of the Applicant's employees been the subject of claims by third parties, e.g., vendors, suppliers, customers, for unlawful discrimination or unlawful harassment during the last three years? Yes  No

If you answered "Yes" to any of the above, please provide detailed information including the type of allegation, jurisdiction and current status.

#### **IV. Hiring/Disciplinary/Termination Practices**

1. Does the Applicant require job applicants to complete an employment application? Yes  No
2. Does the Applicant conduct background checks to screen job applicants for hire? Yes  No
3. Does the Applicant require medical examinations of employees and/or job applicants at any time? Yes  No
4. Do any employees of the Applicant have written contracts or agreements of employment? Yes  No   
If Yes, how many? \_\_\_\_\_
5. Are severance agreements and packages used? Yes  No
6. Does the Applicant provide regular, written performance evaluations for all employees, including documentation of poor employee performance? Yes  No
7. When an employee is discharged, is a disinterested member of management or Human Resources personnel directly involved? Yes  No
8. Does the Applicant require terminations to be reviewed by its Human Resources Department, Legal Department, or outside counsel? Yes  No
9. Are exit interviews conducted with terminated employees? Yes  No

#### **V. Documentation/Training/ Policies & Procedures**

1. Does the Applicant have written job descriptions for all positions? Yes  No
2. Does the Applicant maintain written personnel records? Yes  No
3. Does the Applicant publish an employment handbook that includes a requirement that all employees acknowledge a receipt by signature? Yes  No
4. Does an attorney with expertise in employment and labor law, at least annually, review the Applicant's employee handbook, human resources documents, guidelines, procedures and updates thereto? Yes  No   
If No, who is responsible for reviewing and updating these materials? \_\_\_\_\_
5. Does the Applicant have written guidelines or procedures addressing these human resource or personnel management issues:
- Hiring/interviewing? Yes  No
  - Employee "at will" statement? Yes  No
  - Handbook is not a modification of the "at will" statement? Yes  No
  - Equal Employment Opportunity Statement? Yes  No
  - Performance appraisal? Yes  No
  - Progressive Employee Discipline Policy? Yes  No
  - Discharge/Termination? Yes  No
  - Investigation of employee complaints? Yes  No
  - Grievance policies or procedures? Yes  No

- Does the grievance procedure provide for complaints outside the employees' chain of command, i.e., human resources or a toll-free number? Yes  No
  - Safe work environment program? Yes  No
  - Compliance with the Americans with Disabilities Act? Yes  No
  - Zero tolerance for harassment? Yes  No
  - Use of Company electronic mail, voice mail and Internet access? Yes  No
  - The Family and Medical Leave Act of 1993? Yes  No
  - Arbitration for Employment Related Claims Yes  No
11. Is there an orientation and training program for new employees? Yes  No
12. Does the Applicant require all employees to attend sexual harassment and discrimination training? Yes  No
13. Does the Applicant require employees to attend diversity training? Yes  No
14. Do persons supervising employees receive updated information and training on human resources including performance appraisals, discipline and workplace harassment, at least annually? Yes  No

**VI. Loss Control Practices**

1. Does the Applicant have a labor relations counsel on staff? Yes  No
2. Has the Applicant adopted written anti-discrimination policies/procedures regarding the selection of employees for hiring, promotion, transfer, layoff, salary increases, work assignments and other employment-related areas? Yes  No
3. Does the Applicant have a retaliation-free reporting procedure to deal with allegations of harassment with options other than their direct supervisor? Yes  No
4. Does the Applicant have a process for monitoring, analyzing and reviewing diversity in its workforce and in its management ranks, specifically as respects hiring, firing, compensation, promotions, job assignments and training opportunities? Yes  No
5. Does the Applicant utilize any other form of risk management with regards to employment practices (i.e., internet training, consultants, etc.)? Yes  No
6. Have employees received training to teach them how to deal appropriately with the public? Yes  No
7. Does the Applicant have written procedures for handling employee complaints of discrimination and/or sexual harassment? Yes  No
8. Does the Applicant conduct internal audits of the human resource function to ensure consistent application of employment policies and procedures? Yes  No
9. Does the Applicant utilize outside labor counsel to audit employment policies and procedures? Yes  No
10. Are contractors, franchise and leased workers, if applicable, provided with a copy of the Applicant's written policies and procedures as outlined in Sections V and VI of this application? Yes  No
- If Yes, does the Applicant require them to follow these policies and procedures? Yes  No

**VII. Reduction-in-Force (RIF)**

TO BE COMPLETED ONLY IF THE APPLICANT ANSWERED "YES" TO QUESTION 8, in SECTION II.

1. Please provide the following details:

Date of Workforce Reduction	Reason for Workforce Reduction	Number of Employees Effected

2. What criteria are used to determine the workforce reduction?

- Dept'l / Specific Positions     Seniority     Performance     Arbitrary     Combination of all

3. Was an impact analysis completed? Yes  No

6. Does the Applicant have a formal out-placement program for employees terminated as a result of downsizing, layoffs or reduction-in-force? Yes  No

7. Was or will severance compensation (be) available to all affected employees? Yes  No

8. Were or are the affected employees required to sign a release for the severance package? Yes  No   
 If Yes, did any employees refuse to sign the release? Yes  No

10. Did the Applicant consult with outside counsel familiar with employment and labor law regarding the reduction in workforce? Yes  No

11. Is the Applicant in compliance with all applicable provisions of the Worker Adjustment and Retraining Notification (WARN) Act? Yes  No

**VIII. Foreign Operations**

TO BE COMPLETED ONLY IF THE APPLICANT INCLUDED FOREIGN BASED EMPLOYEES IN THE TOTAL EMPLOYEE COUNT IN QUESTION 1(a) OF SECTION II.

1. Foreign Exposure. Complete the following table. Attach a separate sheet if necessary.

Country	Nature of Operations	Relationship to Parent Company (* see below)	Number of Employees		
			Total	Full-time	Part-time

\* Relationship to Parent Company:

- A = Subsidiary    B = Affiliate    C = Joint Venture    D = Other (specify): \_\_\_\_\_

2. In the past five (5) years, have there been any employment-related claims or circumstances connected to the Applicant's foreign operations? Yes  No   
 If Yes, attach complete details.

3. Do the foreign operations use the same employment policies and procedures as the U.S. operations? Yes  No   
 If No, attach policies or procedures that are unique to foreign operations.

4. Is there a director of human resources for all foreign operations? Yes  No
5. Have all foreign operations handbooks, employment contracts, employment applications, employment and labor policies and procedures been reviewed by outside counsel familiar with local and foreign employment/labor laws, rules, and regulations? Yes  No

**IX. Third Party Coverage**

TO BE COMPLETED ONLY IF THE APPLICANT IS REQUESTING THIRD PART COVERAGE.

1. What type of customer base does the Applicant serve, and what portion of the Applicant's business is directed to each customer segment? Complete the following table:

Customer Segment	Percentage
Corporate or Business Clients	%
Individuals (but not the General Public)	%
General Public	%
Other (specify):	%
TOTAL	100 %

2. Has the Applicant or any of the Applicant's employees been the subject of claims by third parties, (e.g. vendors, suppliers, customers) for unlawful discrimination or unlawful harassment during the last five (5) years? Yes  No
3. Approximately what percentage of the Applicant's employees is in contact with customers, clients, vendors and/or other third parties? \_\_\_\_\_ %
4. Do any of the Applicant's employees work at customer, client, vendor, or other third party locations? Yes  No
5. Does the Applicant have a bill of rights statement explaining customer rights? Yes  No
6. Have employees received training to teach them how to deal appropriately with the public? Yes  No
7. Is there a customer relations policy in place? Yes  No

This Application along with all signed applications, any attachments to such applications, other materials submitted therewith or incorporated therein, and any other documents submitted, any public documents filed by the Insured Entity prior to inception of this Policy (or if amended, as of that date), with any federal, state, local or foreign regulatory agency, (including, but not limited to the Securities and Exchange Commission) are the basis of the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.



**REPRESENTATION:**

None of the proposed Insureds has knowledge or information of any Wrongful Employment Practice or fact, circumstance or situation which (s)he has reason to suppose might result in a future Claim, except as follows (if answer is "None", so state.):

It is agreed by all concerned that if any of the proposed Insured Persons or Employees is responsible for or has knowledge of any Wrongful Employment Practice, fact, circumstance, or situation which s(he) has reason to suppose might result in a future Claim, whether or not described above, any Claim subsequently emanating therefrom shall be excluded from coverage under the proposed insurance as to (i) such of the Insured Persons or Employees and (ii) the Company and Subsidiaries if such proposed Insured Persons are Executive Officers. The responsibility or knowledge of any individual shall not be imputed to any other individual for the purposes of determining the availability of coverage.

1. It is declared that this Application and any materials submitted or required (which shall be maintained on file by the Insurer and be deemed attached as if physically attached to the proposed Policy) are true and are the basis of the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.
2. The undersigned declares that to the best of his/her knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information from all of the proposed Insureds to facilitate the proper and accurate completion of this Application for the proposed Policy. Signing of this Application does not bind the undersigned to purchase the insurance, but it is agreed that this Application shall be the basis of the contract should a Policy be issued, and this Application will be attached to and become part of such Policy. The undersigned agrees that if after the date of this Application and prior to the effective date of any Policy based on this Application, any occurrence, event or other circumstance should render any of the information contained in this Application inaccurate or incomplete, then the undersigned shall notify the Insurer of such occurrence, event or circumstance and shall provide the Insurer with information that would complete, update or correct such information. Any outstanding quotations may be modified or withdrawn at the sole discretion of the Insurer.
3. The information requested in this Application is for underwriting purposes only and does not constitute notice to the Insurer under any Policy of a Claim or potential claim. All such notices must be submitted to the Insurer pursuant to the terms of the Policy, if and when issued.

The undersigned acknowledges that he or she is aware that Defense Costs reduce and may exhaust the applicable Limits of Liability. The Insurer is not liable for any Loss (which includes Defense Costs) in excess of the applicable Limits of Liability.

**FRAUD NOTICE – WHERE APPLICABLE UNDER THE LAW OF YOUR STATE**

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 or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES (For District of Columbia residents only: 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.) (For Florida residents only: 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.) (For Louisiana residents only: 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.) (For Maine residents only: 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.) (for New York residents only: 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.) (For Pennsylvania residents only: 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.) (For Tennessee and Washington residents only: Penalties include imprisonment, fines and denial of insurance benefits.) (For Vermont residents only: 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 or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which may be a crime and may be subject to civil fines and criminal penalties.)



This Application must be signed by the Chief Executive Officer and the Human Resources Officer.

Signed: \_\_\_\_\_  
(Chief Executive Officer)

Signed: \_\_\_\_\_  
(Human Resources Officer)

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

Corporation: \_\_\_\_\_

Corporation: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

A POLICY CANNOT BE ISSUED TO NEW YORK RESIDENTS UNLESS  
THE APPLICATION IS PROPERLY SIGNED AND DATED ABOVE.