

Starting Strength GYMS

Wrap +®

Employment Practices Liability Small Business Coverage Application

Travelers Casualty and Surety Company of America (not applicable in Guam, Puerto Rico, or the Virgin Islands)

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IMPORTANT INSTRUCTIONS

This Application will only be accepted for *Privately held commercial companies* with:

- 250 or fewer employees; and
- \$100 million or less in assets and \$100 million or less in revenues

This Application will not be accepted for Public Companies, Non-Profit Organizations, or Financial Institutions.

NOTICE

ALL LIABILITY COVERAGE PARTS FOR WHICH APPLICATION IS MADE APPLY, SUBJECT TO THEIR TERMS, ONLY TO CLAIMS FIRST MADE OR DEEMED MADE AGAINST INSUREDS DURING THE POLICY PERIOD OR ANY EXTENDED REPORTING PERIOD, IF APPLICABLE. THE LIMIT OF LIABILITY AVAILABLE TO PAY LOSSES WILL BE REDUCED BY THE AMOUNTS INCURRED AS DEFENSE EXPENSES, AND DEFENSE EXPENSES WILL BE APPLIED AGAINST THE RETENTION AMOUNT. THE COMPANY HAS NO DUTY TO DEFEND ANY CLAIM UNLESS DUTY-TO-DEFEND COVERAGE IS SPECIFICALLY PROVIDED.

Applicant means all corporations, organizations or other entities, including subsidiaries, proposed for this insurance.

I. APPLICANT INFORMATION

1. Name of **Applicant**: _____
Street Address: _____ City: _____
State: _____ ZIP Code: _____ Year **Applicant's** business was established: _____
2. Total number of full time and part time employees (including leased, seasonal and temporary): _____
3. Total number of locations: _____
4. Does the **Applicant** have any subsidiaries or control any other entity or organization for which coverage is requested? Yes No
If Yes, please attach a description of operations, ownership, and tax status for each such entity.

Note: Omit question 5. below and attach the most recent annual financial statement if the limit requested is \$3,000,000 or greater.

5. For your most recent fiscal year end (____/____/____) please complete the following financial information:

| | | | |
|----------|---------------------|----------|--|
| \$ _____ | Current Assets | \$ _____ | Revenues |
| \$ _____ | Total Assets | \$ _____ | Net Income (Net Loss) |
| \$ _____ | Current Liabilities | \$ _____ | Cash Flow from Operations |
| \$ _____ | Long Term Debt | \$ _____ | Net Equity/Net Assets (Deficit Equity) |
6. Select Yes if either: (i) during the past 24 months the **Applicant** has experienced or (ii) during the next 12 months the **Applicant** anticipates:
 - a. Any actual or proposed merger, acquisition, or divestiture? Yes No
 - b. Any branch, location, facility, office, or subsidiary closings, consolidations, or layoffs? Yes No
 - c. Any violation of, or receipt of any amendment to, any debt covenant? Yes No
 - d. Any reorganization or arrangement with creditors under federal or state law? Yes No

If any of the questions 6. a.-d. above are answered Yes, please attach an explanation, including the timing, the essential terms of the event, the arrangement, the impact on employee base and the surrounding circumstances.

II. EMPLOYEE AND HUMAN RESOURCES INFORMATION

1. Indicate the total number of:

As of Application Date

Previous 12 Months

Full Time Employees* _____

Part Time Employees* _____

* Include leased, seasonal, and temporary employees.

2. Total number of union employees included above: _____

3. Indicate the total number of employees for each of the **5 states or foreign countries** with the greatest number of **Applicant** employees:

State or Foreign Country

Total Employees

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____

4. Total number of natural person independent contractors: _____

5. Total number of employees compensated: (a) less than \$50,000 annually? _____
 (b) greater than \$100,000 annually? _____

6. Number of employees involuntarily terminated** (a) in the current year: _____ (b) in the prior year: _____
 ** Do not include terminations due to layoffs.

7. Is Human Resource personnel or employment counsel consulted prior to terminations? Yes No

8. Does the **Applicant** have written guidelines, policies or procedures related to the following:

- a. Employment at Will? Yes No
- b. Discrimination? Yes No
- c. Sexual and Other Workplace Harassment? Yes No
- d. Equal Employment Opportunity? Yes No
- e. Disabled Employees and Reasonable Accommodations? Yes No
- f. Reporting, Investigating and Resolving Employee Complaints? Yes No

9. Are employees required to acknowledge receipt of the above guidelines, policies and procedures? Yes No

10. Has employment counsel reviewed the above guidelines, policies, and procedures? Yes No

11. Does the **Applicant**:

- a. Utilize employment applications? Yes No
- b. Document employee performance? Yes No
- c. Conduct human resources training for management employees? Yes No

12. Does the **Applicant** have written policies outlining employee conduct when dealing with customers, clients, or other third parties? Yes No

13. Does the **Applicant** have written policies or procedures for dealing with complaints from customers, clients, or other third parties for issues involving harassment or discrimination? Yes No

III. CURRENT INSURANCE INFORMATION/REQUESTED INSURANCE TERMS

| Liability Coverage | (A) Requested Limit | (B) Coverage Currently Purchased? | (C) Expiring Limit | (D) Expiring Retention |
|----------------------|---------------------------|--|--------------------------|------------------------------|
| Employment Practices | \$ | Yes <input type="checkbox"/> No <input type="checkbox"/> | \$ | \$ |

Expiring insurer: _____

Expiring premium: \$ _____

Date coverage first purchased: _____

Requested effective date: _____

1. If Liability Coverage is currently purchased as indicated in Column (B) above, but has been in place for less than 3 years, please answer the following question:

As of the date the **Applicant** first purchased the Liability Coverage, is the **Applicant** or any person proposed for this insurance aware of any fact, circumstance, situation, event or act that reasonably could give rise to a claim being made against them under the Liability Coverage for which the **Applicant** is applying? *If Yes, please attach an explanation.*

Yes No

2. If Liability Coverage is not currently purchased as indicated in Column (B) above, please answer the following question:

Is the **Applicant**, or any person proposed for this insurance aware of any fact, circumstance, situation, event or act that reasonably could give rise to a claim against them under the Liability Coverage for which the **Applicant** is applying? *If Yes, please attach an explanation.*

Yes No

3. If the Requested Limit in Column (A) exceeds the Expiring Limit in Column (C), please answer the following question:

Solely with respect to any higher limits requested or that may ultimately be issued for the proposed insurance, is the **Applicant** or any person proposed for this insurance aware of any fact, circumstance, situation, event or act that reasonably could give rise to a claim against them under the Liability Coverage for which the **Applicant** is applying? *If Yes, please attach an explanation.*

Yes No

*With respect to the information required to be disclosed in response to the questions above, the proposed insurance will not afford coverage for any claim arising from any fact, circumstance, situation, event or act about which any executive officer of the **Applicant** had knowledge prior to the issuance of the proposed policy, nor for any person or entity who knew of such fact, circumstance, situation, event or act prior to the issuance of the proposed policy.*

IV. LOSS INFORMATION

1. Have any employment-related claims or administrative, criminal or regulatory proceedings, charges, hearings, demands or lawsuits been made against the **Applicant** or any person proposed for this insurance during the past 3 years, whether or not insured, including claims involving employees or independent contractors?
2. Has any claim, demand or lawsuit been made against the **Applicant** or any person proposed for this insurance involving sexual harassment or discrimination brought by the general public, customers, clients, vendors or other third party?

Yes No

Yes No

If either question 1. or 2. is answered Yes, please attach a full explanation, including date, description, defense expenses and damages paid, status, whether there was insurance and any procedures implemented to avoid further claims.

V. REQUIRED ATTACHMENTS

As part of this Application, please submit the following documents (*these documents, and the representations and facts they contain, are made a part of this Application, whether such documents are physically delivered to the Company by the **Applicant** or are obtained by the Company from any public source, including the Internet*):

- Most recent annual financial statement, if policy limit requested is \$3,000,000 or greater
- Construction Supplemental Application, if **Applicant** is a contractor
- Downsizing Supplemental Application, if impact of **Applicant** layoffs is greater than 50 employees

VI. COMPENSATION NOTICE

Important Notice Regarding Compensation Disclosure

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.

VII. FRAUD WARNINGS

Attention: Insureds in Arkansas, D.C., Louisiana, Maryland, New Mexico, and Rhode Island

Any person who knowingly (and willfully in D.C. and MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (and willfully in D.C. and MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Attention: Insureds in Colorado

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.

Attention: Insureds in Florida

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.

Attention: Insureds in Kentucky, New Jersey, New York, Ohio, and Pennsylvania

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. (In New York, the civil penalty is not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation.)

Attention: Insureds in Maine, Tennessee, Virginia, and Washington

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.

VIII. SIGNATURE SECTION

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE (PARTNER, PRINCIPAL, HEAD OF HUMAN RESOURCES, GENERAL COUNSEL OR OTHER OFFICER ACCEPTABLE TO TRAVELERS) OF THE APPLICANT DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS SET FORTH IN THE ATTACHED TRAVELERS NEW BUSINESS OR RENEWAL APPLICATION FOR INSURANCE ARE TRUE AND COMPLETE AND MAY BE RELIED UPON BY TRAVELERS. IF THE INFORMATION IN ANY APPLICATION CHANGES PRIOR TO THE INCEPTION DATE OF THE POLICY, THE APPLICANT WILL NOTIFY THE COMPANY OF SUCH CHANGES, AND THE COMPANY MAY MODIFY OR WITHDRAW ANY OUTSTANDING QUOTATION. THE COMPANY IS AUTHORIZED TO MAKE INQUIRY IN CONNECTION WITH THIS APPLICATION.

THE SIGNING OF THIS APPLICATION DOES NOT BIND THE COMPANY TO OFFER, NOR THE APPLICANT TO PURCHASE, THE INSURANCE. IT IS AGREED THAT THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, SHALL BE THE BASIS OF THE INSURANCE AND SHALL BE, IN ALL STATES OTHER THAN NC AND UT, CONSIDERED PHYSICALLY ATTACHED TO AND PART OF THE POLICY, IF ISSUED. THE COMPANY WILL HAVE RELIED UPON THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, IN ISSUING THE POLICY.

REPRODUCED SIGNATURES, INCLUDING PHOTOCOPIES, WILL BE TREATED AS ORIGINAL.

Signature* of **Applicant's** Authorized Representative
(Partner, Principal, Officer, Head of Human Resources
or General Counsel)

Name (Printed)

Title

Date

***IF YOU ARE ELECTRONICALLY SUBMITTING THIS APPLICATION TO TRAVELERS, APPLY YOUR ELECTRONIC SIGNATURE TO THIS FORM BY CHECKING THE ELECTRONIC SIGNATURE AND ACCEPTANCE BOX BELOW. BY DOING SO, YOU HEREBY CONSENT AND AGREE THAT YOUR USE OF A KEY PAD, MOUSE, OR OTHER DEVICE TO CHECK THE ELECTRONIC SIGNATURE AND ACCEPTANCE BOX CONSTITUTES YOUR SIGNATURE, ACCEPTANCE, AND AGREEMENT AS IF ACTUALLY SIGNED BY YOU IN WRITING AND HAS THE SAME FORCE AND EFFECT AS A SIGNATURE AFFIXED BY HAND.**

AUTHORIZED REPRESENTATIVE'S ELECTRONIC SIGNATURE AND ACCEPTANCE

IX. PRODUCER INFORMATION (ONLY REQUIRED IN FLORIDA, IOWA, AND NEW HAMPSHIRE):

Producer Signature

Producer Name (Printed)

Agency Name

Agency Code

License Number