Chubb Group of Insurance Companies
15 Mountain View Road
Warren, New Jersey 07059

ForeFront Portfolio[SM]
For Not-for-Profit Organizations
New Business Application
(For Not-for-Profit Organizations with more than 500 employees)

BY COMPLETING THIS APPLICATION YOU ARE APPLYING FOR COVERAGE WITH FEDERAL INSURANCE COMPANY (THE "COMPANY").

NOTICE: THE LIABILITY COVERAGE SECTIONS OF THIS POLICY (WHICHEVER ARE PURCHASED) PROVIDE CLAIMS MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD", OR AN APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE RETENTION AMOUNT. IN NO EVENT WILL THE COMPANY BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY. READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.

APPLICATION INSTRUCTIONS:

- Whenever used in this Application, the term "**Applicant**" means the Organization applying for this insurance and all of its subsidiaries, unless otherwise stated.
- Include all requested underwriting information and attachments.

I. REQUESTED COVERAGE:

Coverage Sections Requested	Limit of Liability Requested	Retention Requested
☐ Directors & Officers Liability and Entity Liability		
☐ Employment Practices Liability		
☐ Fiduciary Liability		
☐ Crime		
☐ Kidnap/Ransom & Extortion		$0

II. GENERAL INFORMATION:

1. Name of **Applicant**: _____

2. **Applicant's** Principal Address: _____

   City: _____ State: _____ Zip Code: _____

3. State of incorporation: _____ Date established: _____ Web site address: _____

4. Executive officer authorized to receive notices and information regarding the proposed policy:

   Name: _____ Title: _____

   Contact's e-mail address: _____ Phone: _____ Fax: _____

   For Employment Practices Loss Prevention eligibility, indicate the individual responsible for human resources or employment law matters:

   Name: _____ Title: _____ e-mail address: _____

   Address: _____ City: _____State: _____ Zip Code: _____

5. Nature of the **Applicant's** business: _____
_____

6. Does the **Applicant** now have recognized tax-exempt status under the U.S. Internal Revenue Code? ☐ Yes ☐ No

7. (a) 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 the operations, ownership, and the tax status of each such entity.
(b) Does the **Applicant** or any subsidiary render any professional services, including but not limited to conducting any standard setting, accrediting, credentialing or licensing activities, for others for a fee? ☐ Yes ☐ No
If Yes, please describe: _____
_____

8. **Applicant's** most recent year end: Total Revenue: _____ Total Assets: _____

9. In the next 12 months (or during the past 18 months) is the **Applicant** contemplating (or has the **Applicant** completed or been in the process of completing):
(a) Any actual or proposed merger, acquisition, or divestment? ☐ Yes ☐ No
(b) Any change in outside auditors? ☐ Yes ☐ No
(c) Any reorganization or arrangement with creditors under federal or state law? ☐ Yes ☐ No
(d) Any branch, location, facility, or office closings, consolidations or layoffs? ☐ Yes ☐ No
If Yes to any part of Question 9, please attach an explanation to this Application.

10. Has the **Applicant** or any person proposed for coverage been the subject of, or involved in, any of the following in the past five years:
(a) Anti-trust, copyright or patent litigation? ☐ Yes ☐ No
(b) Any criminal actions? ☐ Yes ☐ No
(c) Any litigation or other proceeding involving any allegation of discrimination? ☐ Yes ☐ No
(d) Any action or proceeding for revocation or suspension of a license? ☐ Yes ☐ No
If Yes to any of the above, attach a full description of the details.

11. Other than those identified in your response to Question 10, has any claim been brought at any time during the last 5 years against: (i) any **Applicant** or (ii) any proposed insured individual in his or her capacity as a director, officer or trustee of any entity? ☐ Yes ☐ No
If Yes, please attach a full description of the details.

12. Has the **Applicant** given notice of any claim, circumstance or potential claim to any insurer under any of the coverages to which this application relates? ☐ Yes ☐ No
If Yes, attach a full explanation of the claim, circumstance or potential claim and amount of payment made by insurer, if any.

Missouri Applicants/Agents: Do <u>NOT</u> Answer Question 13

13. Has the **Applicant** been declined, canceled or non-renewed for any of the coverages to which this application relates? ☐ Yes ☐ No
If Yes, please attach an explanation.

III. EMPLOYMENT PRACTICES INFORMATION:

1. Employee count:

		Current year	Previous year
(a)	Full time employees:	_____	_____
(b)	Part time employees (include leased and seasonal):	_____	_____
(c)	Number of employees located in California:	_____	_____
(d)	Number of volunteers:	_____	_____
(e)	Number of independent contractors:	_____	_____

2. Does the **Applicant**:
   (a) Have written procedures in place regarding:
      (i) Equal Opportunity Employment: ☐ Yes ☐ No
      (ii) Anti - Discrimination: ☐ Yes ☐ No
      (iii) Anti - Sexual Harassment: ☐ Yes ☐ No
      (iv) Employment at Will: ☐ Yes ☐ No
      (v) Progressive Discipline and Termination: ☐ Yes ☐ No
      (vi) Handling complaints of sexual harassment or discrimination: ☐ Yes ☐ No
      (vii) ADA/Handicap accommodations ☐ Yes ☐ No
   (b) **If No** to any of the above, please attach a full explanation.

3. During the past 3 years, has any **Applicant** in any capacity, been involved in any of the following matters?
   (a) EEOC, NLRB or other similar administrative proceeding? ☐ Yes ☐ No
   (b) Employment-related civil suit? ☐ Yes ☐ No
   If Yes to either of the above, please attach a full description of the details.

4. Does the **Applicant**:
   (a) Distribute its employee handbook to, and document its receipt by, all employees? ☐ Yes ☐ No
   (b) Have written procedures in place that are distributed to each employee if the **Applicant** does not have an employee handbook? ☐ Yes ☐ No
   (c) Use any tests to screen applicants for employment, or to screen existing employees for continued employment or for promotion? ☐ Yes ☐ No
   If Yes, please describe: _____
   d) Review all terminations with human resources and in-house or outside counsel? ☐ Yes ☐ No
   e) Have a full-time human resources manager or department? ☐ Yes ☐ No
   f) Require face-to-face training regarding anti-discrimination and anti-sexual harassment policies and procedures to be conducted by:
      (i) In-house human resource staff? ☐ Yes ☐ No
      (ii) An outside vendor? ☐ Yes ☐ No
      If No to both of the above in Question 4(f), please attach an explanation.

5. ***(To be completed only if the Applicant is or has been a federal contractor):***
   (a) Does the **Applicant** currently have an Affirmative Action Plan in place? ☐ Yes ☐ No
   If No, please attach an explanation.
   (b) Has the **Applicant** been subject to an OFCCP audit? ☐ Yes ☐ No
   If Yes, please attach an explanation including full details of any resulting conciliation and/or settlement with the OFCCP, and attach copies of any settlement documents.

6. What was the annual employee turnover rate for last 3 years?
   Past Year: ____% 1 Year Previous: ____% 2 Years Previous: ____%

7. How many involuntary terminations have occurred in: Past Year: _____ 1 Year Previous: _____

Additional Questions for Applicants with 1000 or More Employees:

8. Does the **Applicant**:
   (a) Have a manual containing its human resources procedures? ☐ Yes ☐ No
   If Yes, please indicate the date it was last revised:_____
   (b) Provide formal training for its supervisors in administering these procedures? ☐ Yes ☐ No
   If Yes, who provides this training? _____

9. For discrimination and harassment complaints, how are the investigations conducted? ☐ internally ☐ externally

10. Are pay practices reviewed for inequities with women and minorities? ☐ Yes ☐ No

11. Are job assignments and promotion practices reviewed for adverse impact on protected classes? ☐ Yes ☐ No

12. Is a job posting system consistently followed? ☐ Yes ☐ No

13. Is a self-critical analysis of workforce diversity performed? ☐ Yes ☐ No

IV. OPTIONAL THIRD PARTY INFORMATION:
APPLICANT: Please complete this section only if requesting this coverage.

1. Does the **Applicant** have written established policies or procedures:
   (a) Outlining employee conduct when dealing with third parties, including non-discrimination and non-harassment statements? ☐ Yes ☐ No
   (b) For responding to complaints of harassment, discrimination or civil rights violations from third parties? ☐ Yes ☐ No

2. What percentage of the **Applicant's** employees and volunteers have direct contact with the general public?_____%

3. Has the **Applicant** ever had any action or civil suit brought against it by a customer, client or third party alleging harassment, discrimination, or civil rights violations? ☐ Yes ☐ No
   If Yes, please attach a full description of the details.

V. FIDUCIARY INFORMATION:

1. Please complete the following information regarding the **Applicant's** employee benefits plan(s).

Plan name (do not include health and welfare plans)	Type of plan*	Plan assets (current year)	Underfunded by more than 25%? (DBP only)	Number of plan participants

*****Types of Plans: Defined Contribution Plan = DCP; Defined Benefit Plan = DBP; Employee Stock Ownership Plan = ESOP; Excess Benefit Plan or Top Hat Plan = EBP

2. Does the **Applicant**:
   (a) Use an outside investment manager(s)? ☐ Yes ☐ No
   (b) Handle any investment decisions in-house? ☐ Yes ☐ No
   If Yes, please describe: _____
   (c) Have any outstanding delinquent contributions to any employee benefit plan(s)? ☐ Yes ☐ No
   If Yes, please explain: _____

3. In the past two (2) years, has the **Applicant** merged or terminated any employee benefit plan(s)? ☐ Yes ☐ No
   If Yes, provide details including transaction date, status of asset distribution, whether similar benefits are being offered, and name of insurance carrier if terminated plan benefits are secured by insurance.

4. Does each of the **Applicant's** employee benefit plans conform to the standards of eligibility, participation, vesting and other provisions of ERISA? ☐ Yes ☐ No
   If No, please explain: _____

5. Past activities:
   (a) Has any fiduciary been:
      (i) Accused of, found guilty of, or held liable for a breach of trust? ☐ Yes ☐ No
      (ii) convicted of criminal conduct? ☐ Yes ☐ No
   (b) Has there been any assessment of fees, fines or penalties against any of the **Applicant's** employee benefit plans under any voluntary compliance resolution program or similar voluntary settlement program administered by the IRS, DOL or other government authority? ☐ Yes ☐ No
   If Yes, to any of the above, please attach a full description of the details.

VI. CRIME INFORMATION:

1. Does the **Applicant** allow the employees who reconcile the monthly bank statements to also sign checks or handle deposits? ☐ Yes ☐ No

2. Does an independent CPA provide a Management Letter to the **Applicant**? ☐ Yes ☐ No
   If Yes, please attach the most recent copy and management's response to the letter.

3. Does an annual external audit include all subsidiaries and joint ventures? ☐ Yes ☐ No

4. Do the **Applicant's** external audits include all of its locations? ☐ Yes ☐ No
   If No, please explain _____

5. Number of foreign locations: _____ and countries _____

6. Are international and domestic procedures and controls consistent? ☐ Yes ☐ No
   If No, please attach an explanation.

7. Does the **Applicant** perform pre-employment reference checks for all its potential employees? ☐ Yes ☐ No
   If No, please attach an explanation.

8. Please describe the services the **Applicant** provides for clients: _____
   _____

9. Does the audit department have a program in place to detect ghost employees and is the payroll system audited at least annually? ☐ Yes ☐ No

10. Does the **Applicant**:
    (a) Maintain a list of authorized vendors? ☐ Yes ☐ No
    (b) Have a procedure in place to verify the existence and ownership of new vendors prior to adding them to the authorized master vendor list? ☐ Yes ☐ No
    (c) Allow the same individual who verifies the existence of vendors to also have the authority to edit the authorized master vendor list? ☐ Yes ☐ No
    (d) Verify invoices against a corresponding purchase order, receiving report and the authorized master vendor list prior to issuing payment? ☐ Yes ☐ No
    (e) Strictly comply with dual recorded authorization for all outgoing wire transfers? ☐ Yes ☐ No

11. LOSS EXPERIENCE: List all employee theft, burglary, robbery, forgery, computer fraud or other crime losses discovered by the **Applicant** in the past five years. Itemize each loss separately, including date of loss, description and total amount (attach additional pages if necessary):_____
_____
_____

VII. KIDNAP/RANSOM AND EXTORTION INFORMATION:

1. Please complete the following information regarding the foreign travel of the **Applicant's** employees:

Country Visited	Number of annual trips	Average stay	Number of employees

VIII. PRIOR INSURANCE (NOTICE – APPLICABLE TO THE LIABILITY COVERAGE SECTIONS ONLY):

1. Please complete the chart below:
   - Indicate those coverages currently purchased; and
   - Attach a copy of all applications submitted to the current insurer or any prior insurers:

Liability Coverage	Yes	No	Insurer	Limit	Retention	Policy Period
a. Directors & Officers And Entity Liability	☐	☐	_____	$_____	_____	_____
b. Employment Practices Liability	☐	☐	_____	$_____	_____	_____
c. Fiduciary Liability	☐	☐	_____	$_____	_____	_____

2. **IMPORTANT**: The Company will be relying upon the declarations and statements contained in such prior application(s) and the **Applicant** understands and agrees those declarations and statements shall be considered to be incorporated in, and form part of any policy issued by the Company.

IX. PRIOR KNOWLEDGE (NOTICE – APPLICABLE TO THE LIABILITY COVERAGE SECTIONS ONLY):

The **Applicant** must complete the Prior Knowledge Statement below:
☐ If the **Applicant** answered "No" to any Liability Coverage listed above; or
☐ If the **Applicant** is requesting larger limits in Section I, REQUESTED COVERAGE, than are currently purchased as indicated in Item VIII (1) of this Application.

The **Applicant** understands and agrees the Prior Knowledge Statement below applies to those liability coverage types for which no coverage is currently maintained; and to those liability coverages for which the **Applicant** is requesting limits of liability greater than currently maintained.

PRIOR KNOWLEDGE STATEMENT: No person or entity proposed for coverage is aware of any fact, circumstance or situation which he or she has reason to suppose might give rise to a future claim that would fall within the scope of any of the proposed liability coverages for which the **Applicant** does not currently maintain insurance, or within any of the larger limits of liability sought by the **Applicant**, except: None☐or _____

_____

_____

Without prejudice to any other rights and remedies of the Company, the **Applicant** understands and agrees that if any such fact, circumstance, or situation exists, whether or not disclosed above, any claim or action arising from any such fact, circumstance, or situation is excluded from coverage under the proposed policy, if issued by the Company.

X. MATERIAL CHANGE:

If there is any material change in the answers to the questions in this Application before the policy inception date, the **Applicant** must immediately notify the Company in writing, and any outstanding quotation may be modified or withdrawn.

XI. DECLARATIONS, FRAUD WARNINGS AND SIGNATURES:

The **Applicant's** submission of this Application does not obligate the Company to issue, or the **Applicant** to purchase, a policy. The **Applicant** will be advised if the Application for coverage is accepted. The **Applicant** hereby authorizes the Company to make any inquiry in connection with this Application.

The undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance declare that to the best of their knowledge and belief, after reasonable inquiry, the statements made in this Application and in any attachments or other documents submitted with this Application are true and complete. The undersigned agree that this Application and such attachments and other documents shall be the basis of the insurance policy should a policy providing the requested coverage be issued; that all such materials shall be deemed to be attached to and shall form a part of any such policy; and that the Company will have relied on all such materials in issuing any such policy.

The information requested in this Application is for underwriting purposes only and does not constitute notice to the Company under any policy of a Claim or potential Claim.

Notice to Arkansas, Louisiana, Maryland, Minnesota, New Mexico and Ohio Applicants: Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

Notice to Colorado Applicants: 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 policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder 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.

Notice to District of Columbia, Maine, Tennessee and Virginia Applicants: 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.

Notice to Florida and Oklahoma Applicants: Any person who, knowingly and with intent to injure, defraud or deceive any employer or employee, insurance company, or self-insured program, files a statement of claim containing any false or misleading information is guilty of: a felony (in Oklahoma) or a felony of the third degree (in Florida).

Notice to Kentucky Applicants: Any person who, knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any material fact thereto, commits a fraudulent insurance act which is a crime.

Notice to New Jersey Applicants: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Notice to Oregon and Texas Applicants: Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

Notice to New York and Pennsylvania 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 (in New York) or criminal and civil penalties (in Pennsylvania).

Date	Signature*	Title
_____	_____	Chief Executive Officer
_____	_____	Chief Financial Officer

*****This Application must be signed by the chief executive officer and chief financial officer of the Organization acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance.

Please attach a copy of the following for every Applicant seeking coverage:

- ☐ Most recent CPA prepared financial statements
- ☐ Most recent CPA Letter to Management and management's response (if this Letter is not issued, so indicate)
- ☐ Employment Practices Liability:
  - ☐ Employee handbook
  - ☐ Employment application form
  - ☐ Most recent EEO-1
  - ☐ Third party policies and statements, if requesting Third Party Liability Coverage

Produced By: Agent:_____ Agency: _____

Agency Taxpayer ID or SS No.:_____Agent License No.:_____

Address (Street, City, State, Zip):_____