



Wage & Hour Insurance Application

This is an application form for a claims first made and reported policy

Instructions:

1. Answer all questions (if not applicable, show N/A) and attach all additional information/explanations as required.
2. Application must be dated and have an authorized signature.
3. PLEASE READ STATEMENT AT END OF APPLICATION CAREFULLY.

I. General Information

A. Name and address of Applicant: _____

_____ Zip Code: _____

B. Person to contact: Name: _____

Title: _____

Phone: _____

Email: _____

C. Describe nature of business : _____

D. Applicant's website address: _____

E. Does the Applicant have any franchise operations? Yes No

F. Please answer the following three (3) questions for the most recent fiscal year end:

i) What are the Applicant's:

Current assets?	\$
-----------------	----

Current liabilities?	\$
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Total assets?	\$
---------------	----

Total liabilities?	\$
--------------------	----

Total Gross Revenues?	\$
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ii) Does the Applicant currently have: Net Income or Net Loss
Amount \$ _____

iii) Does the Applicant currently have: Positive Cashflow or Negative Cashflow
Amount \$ _____

G. Has an auditor in the previous two (2) fiscal years recommended a "going concern" opinion of the financial information for the Applicant? Yes No

(If Yes, please provide details on a separate sheet)



H. How long has the Applicant been in business? _____ Years

I. How long has the Applicant been under current management? _____ Years

J. Limits requested:

K. Retention requested: \$ _____

L. Effective date requested: _____

M. Has the Applicant acquired any companies in the past two (2) years? Yes No

N. With respect to acquired companies, were any employees or officers terminated or do you plan in the next eighteen (18) months to terminate any employees or officers? Yes No

If so, how many? _____

O. Does the applicant anticipate any plant, facility, branch or office closings, consolidations, or layoffs affecting 20% or more of the employees in any 60 day period within the next eighteen (18) months? Yes No

(If you have answered YES to either N or O, please provide details on a separate sheet)

P. Has the proposed coverage ever been purchased before, whether specifically or as a subsection or addition to another coverage? Yes No

Year	Renewal Date	Carrier	Limit	Retention	Premium
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Q. Has any insurer ever cancelled or non-renewed this type of coverage? Yes No

(If YES, please provide details on separate sheet)

II. Loss History

A. In the last five (5) years has the Applicant been named as a defendant in any single plaintiff or purported or actual class or collective action lawsuits alleging wage/hour or wage payment violations, including allegations of off-the-clock work, misclassification, meal and rest break violations, wage statement violations, minimum wage violations, failure to pay overtime, failure to reimburse expenses or failure to pay final or other wages due? Yes No

(IF YES, PLEASE COMPLETE THE ATTACHED LOSS HISTORY SPREADSHEET PROVIDING ALL REQUESTED INFORMATION.)

B. In the last five (5) years has the Applicant been subject to any federal or state Department of Labor investigations or audits? Yes No

(IF YES, PLEASE PROVIDE INFORMATION ON THE PARTICULAR DIVISION CONDUCTING THE INVESTIGATIONS OR AUDITS; THE DATES AND SCOPE OF EACH INVESTIGATION OR AUDIT; THE FINDINGS OF EACH INVESTIGATION OR AUDIT AND THE ACTIONS TAKEN, IF ANY, BY THE APPLICANT AS A RESULT.)

- C. Has any CEO, CFO, Director, Officer, General Counsel, Head of Human Resources or Head of Risk Management knowledge of any circumstances, at the date this Application is signed, which could reasonably give rise to a claim or any reasonable way to foresee that a claim may be brought? Yes No

(IF YES, PLEASE PROVIDE A FULL DESCRIPTION OF ANY CIRCUMSTANCE ON A SEPARATE SHEET.)

III. Employee Information

- A. Please complete the attached Employee Schedule relating to the Applicant’s entire US workforce.
- B. Please provide the salary ranges (including bonuses and commissions) for the Applicant’s entire US workforce.

	Number of Full Time Employees	Number of Part Time Employees	Seasonal/ Temporary	Other
\$20,000 or less:				
\$20,001 to \$50,000				
\$50,001to \$100,000				
\$100,001 to \$200,000				
\$200,001 and over				

- C. Please provide the Applicant’s employee turnover for the last three (3) years:

Last 12 months: _____ % voluntary _____ % involuntary
 12-24 months: _____ % voluntary _____ % involuntary
 24-36 months: _____ % voluntary _____ % involuntary

- D. Does the Applicant maintain a job description for each position? Yes No

- E. Please provide details of the Applicant’s five most populated job titles.

Job Title	Number of Employees	Number of Exempt	Number of Non-Exempt	Compensation Range

- F. In the last five (5) years has the Applicant reclassified or changed the exempt/non-exempt status of any particular positions or job families? Yes No



(If YES, please provide details of each reclassification including the job title or family; the date of the reclassification; the number of employees affected along with the compensation ranges for the reclassified positions or family.)

IV. Organizational Information

- A. Do you regularly consult with an employment attorney or a wage and hour specialist with regard to pay practices issues, including job descriptions, hourly rates, overtime, meal and rest breaks? Yes No

(If YES, please confirm the name of the attorney, the firm and how frequently.)

Attorney: _____
Law Firm: _____
Frequency: _____

- B. Has the Applicant audited or reviewed its wage/hour and pay practices of compliance with state and federal laws in the last 24 months? Yes No

(If YES, please describe the scope and timing of each audit or review and state whether in-house or outside counsel participated in such audit or review.)

- D. Does the Applicant utilize arbitration agreements with their employees? Yes No

If YES, does this include any class action waiver provisions? Yes No

- E. Does the Applicant pay at least the state and federal minimum wage to all of its non-exempt workers? Yes No

- F. Are all non-exempt employees compensated for on-call time and travel time and reimbursed for business-related expenses and time spent putting on or removing uniforms or other pre or post shift activities? Yes No

- G. Does the Applicant utilize an electronic payroll system or outsource its payroll functions? Yes No

If YES, please confirm which is used. Payroll System Outsourced
Provider: _____

- H. Does the Applicant utilize an electronic time keeping system that tracks in-time, out-time, meal and rest breaks? Yes No

- I. Does the Applicant post local posters or notices regarding wage/hour and wage payment requirements at each facility in a location reasonably accessible to employees? Yes No

- J. Does the Applicant employ individuals engaged in inside or outside sales activities that makes up more than 5% of their overall workforce? Yes No

(If YES, please provide the number of sales employees by state; the exempt/non-exempt classification; commission plans; and the nature of compensation paid to each (e.g., commission-hourly, hourly plus overtime, etc.))

- K. Does the Applicant classify as exempt any employees who are members of the company's information technology or engineering department or labelled computer



professions (e.g., IT analysts, technical support, etc.)? Yes No

If YES, were these classifications approved by outside counsel? Yes No

L. Does the Applicant provide written policies regarding non-exempt employees' use of cell phones, smart phones, Blackberries or other remote personal communication devices when they are not on Applicant's premises? Yes No

M. Does the Applicant pay commissions, bonuses or other incentives to non-exempt employees? Yes No

If YES, were these approved by outside counsel? Yes No

N. When calculating overtime does the Applicant factor in any non-discretionary bonuses? Yes No

Approved by outside counsel? Yes No

O. Do managers receive training regarding wage/hour requirements? Yes No

P. Does the Applicant employ any employees who receive tips? Yes No

If YES, was it approved by outside counsel that these employees are in positions acceptable to receive tips in the state in which they work and that distribution policies for tips have been reviewed and approved? Yes No

Q. If the Applicant utilizes an agency to provide temporary workers, is there a written indemnity agreement in place holding the Applicant harmless for any wage/hour or wage payment violations? Yes No
 Not Applicable

R. Does the Applicant engage any independent contractors/consultants who make up more than 5% of the Applicant's workforce (non-employees, excluding temporary employees and managed services (e.g., janitorial services, landscape providers etc.))? Yes No

If YES, does the Applicant have a written indemnity agreement holding the Applicant harmless for any wage/hour or pay practices violations? Yes No

S. Has the Applicant converted any employees to independent contractors (1099 workers) in the last three (3) years? Yes No

If YES:

How many employees were converted? _____

Approved by outside counsel? Yes No

V. California Only Information

Please confirm the following have been considered and approved by outside counsel in the past 3 years:

1. California pay stub for an exempt and a non-exempt employee:

Agree

2. Overtime pay for hours worked beyond 8 hours in a work day, beyond 40 hours in a week and beyond the first 8 hours on a 7th consecutive day of work in the same work week:

Agree

3. Overtime pay for all hours worked in excess of 12 hours in a work day:

Agree

4. Payment of overtime compensation earned no later than the payday for the next regular payroll period after the overtime is earned:

Agree

5. Vacation:

Agree

6. At the time of an involuntary termination, does the Applicant provide the terminated employee with his or her final paycheck?

Yes No

7. Does the Applicant reduce the salary of exempt employees based on hours worked?

Yes No

8. Does the Applicant provide written notice of regular pay rate, overtime rate and the basis of pay rate at the time of hire?

Yes No

VI. Other material facts

- A. Please declare any Material Facts on a separate sheet; None See attached

A Material Fact is one likely to influence assessment of this risk, the premium charged and the terms and conditions imposed by Underwriters. If you are in any doubt as to whether a fact would be considered material you should declare it. All the information requested in this proposal is material.

The Applicant warrants after full investigation and inquiry that the statements set forth herein are true and include all material information.

The Applicant on behalf of the Proposed Insureds further warrants that if the information supplied on this application changes between the date of this application and the inception date of the Policy, it will immediately notify us of such change. Signing of this application does not bind Underwriters to offer nor the Applicant to accept insurance, but it is agreed that this application shall be the



basis of the insurance and will be attached and made a part of the Policy should a policy be issued.

_____ Date	_____ Applicant's Authorized Signature of a Principal Partner or Shareholder	_____ Title
_____ Date	_____ Applicant's Authorized Signature of Individual In Charge of Human Resources or Personnel Department or Signature of 2nd Authorized Person	_____ Title