

# Carolina Casualty Insurance Company

4600 Touchton Road East, Building 100, Suite 400, Jacksonville, FL 32246

## Proposal Form

### Nonprofit Management Liability Insurance

#### CLAIMS MADE WARNING FOR APPLICATION

**THIS PROPOSAL FORM IS FOR A CLAIMS MADE AND REPORTED POLICY, RELATING TO CLAIMS MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF APPLICABLE.**

Whenever printed in this Proposal Form, the terms in boldface type shall have the same meanings as indicated in the **Policy**. This Proposal Form is to be completed with respect to the entire Insured Entity. **Insured Entity** as used herein is defined to include the **Named Insured** and any **Subsidiaries**.

Name of **Named Insured**

Street Address

Suite

City

County

State

Zip Code

Website Address (if applicable)

Federal Employer Identification Number (FEIN)

The Officer designated as agent of the **Insured Entity** and of all **Insureds** to receive any and all notices from the **Insurer** or their authorized representatives concerning this insurance:

Contact Name

Title

E-mail Address

Telephone Number

Fax Number

#### Producer Information

Submitted by (Agency Name)

Dated

Agent's Name (Individual's Name)

Agent's License Number

#### Coverage Section(s) Requested

(Complete only those sections of this Proposal Form specific to the **Coverage Section(s)** requested.)

Directors, Officers and Organization Liability Insurance **Coverage Section:**  Yes  No Limit Requested: \$

Employment Practices Liability Insurance **Coverage Section:**  Yes  No Limit Requested: \$

Fiduciary Liability Insurance **Coverage Section:**  Yes  No Limit Requested: \$

Indicate the type of limit requested:  Combined Aggregate Limit of Liability for all **Coverage Sections**, or

Separate Aggregate Limit of Liability for each **Coverage Section**

#### Current Insurance Information (Provide details to all "Yes" answers by attachment)

1. Provide the following information regarding the **Insured Entity's** most recent insurance policies. If "None", so state.

Type of Policy	Insurance Carrier	Expiration Date	Limit of Liability	Deductible	Premium
Directors and Officers Liability: <input type="checkbox"/> None			\$	\$	\$
Employment Practices Liability: <input type="checkbox"/> None			\$	\$	\$
Fiduciary Liability: <input type="checkbox"/> None			\$	\$	\$
General Liability: <input type="checkbox"/> None			\$	\$	\$
Other: <input type="checkbox"/> None			\$	\$	\$

2. Has the Extended Reporting Period (or Discovery Period) been exercised for the **Insured Entity's** most recent Directors and Officers Liability, Employment Practices Liability, or Fiduciary Liability insurance policies?  Yes  No

3. Within the last 3 years, has any **Claim** been made or has notice been given under any of the previous policies for Directors and Officers Liability, Employment Practices Liability or Fiduciary Liability insurance or similar insurance?  Yes  No

4. Within the last 3 years, has any Directors and Officers Liability, Employment Practices Liability, Fiduciary Liability insurance, or similar insurance policies for the **Insured Entity** ever been cancelled or non-renewed? (Not applicable in Missouri)  Yes  No

#### General Information (Provide details to all "Yes" answers by attachment)

5. The **Named Insured** has been in continuous operation since:

6. (a) Does the **Insured Entity** currently have a tax-exempt status under the U.S. Internal Revenue Service Code?  Yes  No

If "Yes", under which IRSC Section?

If "No", provide an explanation by attachment.

(b) Have there been or are there now pending, any disputes as to the **Insured Entity's** tax-exempt status?  Yes  No

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7. (a) What is the **Insured Entity's** Primary Standard Industrial Classification ("SIC") Code? \_\_\_\_\_  
 (b) Describe the **Insured Entity's** nature of operations: \_\_\_\_\_

8. Form of organization:  Cooperative  Corporation  Joint Venture\*  
 Limited Liability Corporation  Nonprofit  Partnership\*  
 Sole Proprietorship  Other: \_\_\_\_\_

9. Provide the following financial information with respect to the **Insured Entity**:  
 Assets (000): \$ \_\_\_\_\_ Annual Revenues (000): \$ \_\_\_\_\_ Total Number of **Employees**: \_\_\_\_\_  
 Fund Balance (000): \$ \_\_\_\_\_ Operating Income / Loss (000): \$ \_\_\_\_\_ Period Ending: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

10. Does the **Insured Entity** own or hold any patents? If "Yes", how many? \_\_\_\_\_  Yes  No

11. (a) Is the **Insured Entity** currently in bankruptcy?  Yes  No

(b) Within the next 12 months, is the **Insured Entity** contemplating filing a petition for protection under the bankruptcy code?  Yes  No

12. Within the last 3 years, has there been any change (resignations, departures, retirements, etc.) in the position of the Chairperson of the Board of Directors, President, Chief Executive Officer, Executive Director, or Chief Financial Officer?  Yes  No  
 If "Yes", provide the following details by attachment: Name of individual; date of change; and reason for change.

13. Provide the following information on all **Subsidiaries** or related organizations of the **Insured Entity**. If "None", so state.  None

<u>Subsidiary or</u> <u>Organization Name</u>	<u>Nature of Business</u>	<u>Not For Profit?</u>	<u>Total</u> <u>Assets</u>	<u>Is coverage requested for this</u> <u>entity under this Policy?</u>
_____	_____	<input type="checkbox"/> Yes, IRSC: _____ <input type="checkbox"/> No	\$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	<input type="checkbox"/> Yes, IRSC: _____ <input type="checkbox"/> No	\$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	<input type="checkbox"/> Yes, IRSC: _____ <input type="checkbox"/> No	\$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No

**IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR SUBSIDIARIES OR RELATED ORGANIZATIONS IN QUESTION 13. UNLESS THE INFORMATION REQUESTED ABOVE IS PROVIDED.**

## Directors, Officers and Organization Liability Insurance Coverage Section Information

14. Does the **Insured Entity** provide any professional services including, but not limited to, legal counseling, medical care, peer review and credentialing activities to others? If "Yes", provide an explanation by attachment.  Yes  No

Does the **Insured Entity** promote, sponsor or provide any form of insurance to its members or non-members? If "Yes", provide an explanation by attachment.  Yes  No

Is the **Insured Entity** a member of or participant in any risk management programs or professional associations? If "Yes", provide a list by attachment.  Yes  No

Does the **Insured Entity** transact electronic commerce on behalf of itself, members or third parties? If "Yes", provide an explanation by attachment.  Yes  No

15. During the last 5 years, has the **Insured Entity** or any of the **Insured Persons** received any written demands for monetary or non-monetary relief, been involved in, or had any knowledge of any civil or criminal action, administrative or arbitration proceeding, including both domestic or foreign equivalents, involving:

(a) any intellectual property disputes, including Copyright, Patent, or Trademark Laws?  Yes  No

(b) any alleged violation of any Federal or State Security Law or Regulation?  Yes  No

(c) any alleged violation of any Federal or State Anti-Trust or Fair Trade Law?  Yes  No

(d) any other allegations of violations of federal, state or local statute, regulation, ordinance or common law that would otherwise be within the scope of this proposed insurance?  Yes  No

**IF "YES" TO ANY PART OF QUESTION 15., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:**

(a) Date <b>Claim</b> first made	(b) Claimant's Name	(c) Allegation	(d) Current Status
(e) Demand Amount	(f) Settlement (Indemnity) or Reserve Amount	(g) Attorney's fees	

**IT IS UNDERSTOOD AND AGREED THAT THE INSURER SHALL NOT BE LIABLE TO MAKE ANY PAYMENT FOR LOSS IN CONNECTION WITH ANY CLAIM MADE AGAINST ANY INSURED BASED UPON, ARISING OUT OF, DIRECTLY OR INDIRECTLY RESULTING FROM OR IN CONSEQUENCE OF, OR IN ANY WAY INVOLVING ANY LAWSUIT, ADMINISTRATIVE PROCEEDING, WRITTEN DEMAND, FACT, CIRCUMSTANCE, OR SITUATION SET FORTH OR THAT SHOULD HAVE BEEN SET FORTH IN THE INSURED'S RESPONSE TO QUESTIONS 15.**

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## Employment Practices Liability Insurance Coverage Section Information

16. Number of Employees:	Seasonal and/or			Volunteers and/or		Independent	Annual Turnover
	Full Time	Part Time	Leased	Temporary	Interns	Contractors	Rate
Current Year:							
Last Year:							

17. What percentage of the **Insured Entity's Employees** currently earns more than \$100,000? \_\_\_\_\_ %

18. Does the **Insured Entity** currently employ a full time Human Resources professional?  Yes  No

19. Indicate which formal written policies and procedures have been implemented and attach a copy of each. If "None", so state.  None

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Employee Handbook / Manual   | <input type="checkbox"/> Anti-Harassment Policy, including | <u>Employers with more than 50 Employees</u>          |
| <input type="checkbox"/> Anti-Discrimination Policy – | Sexual Harassment  | <input type="checkbox"/> Family Medical Leave Act     |
| Equal Employment Opportunity                          | <input type="checkbox"/> Adherence to Employment "at-      | <u>California Employers Only</u>                      |
| (EEO) Policy  | will" relationship with all <b>Employees</b>               | <input type="checkbox"/> California Family Rights Act |

20. During the last 5 years, has any **Insured** known of, or been involved in any lawsuit, charges, inquiries, investigations, grievances or other administrative hearings or proceedings before any of the following agencies and/or in any of the following forums, including both domestic or foreign equivalents?

- |  |  |
|--|--|
| (a) National Labor Relations Board?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (b) Equal Employment Opportunity Commission?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (c) Office of Federal Contract Compliance Programs?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (d) U.S. Department of Labor?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (e) Any state or local government agency such as the Labor Department or fair employment agency? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (f) U.S. District or state court?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |

21. During the last 5 years, has any current or former **Employee** or third party made any **Claim**, or otherwise alleged discrimination, harassment, wrongful discharge and/or **Wrongful Acts** against any **Insured**?  Yes  No

A **Claim** is not limited to the filing of a lawsuit or complaint with the Equal Employment Opportunity Commission or similar state or local agency. A **Claim** may also include a written demand by any current or former **Employee** seeking relief in connection with an employment-related dispute or grievance.

**IF "YES" TO ANY PART OF QUESTIONS 20. OR 21., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:**

- |                                  |  |                     |                    |
|----------------------------------|--|---------------------|--------------------|
| (a) Date <b>Claim</b> first made | (b) Claimant's Name                          | (c) Allegation      | (d) Current Status |
| (e) Demand Amount                | (f) Settlement (Indemnity) or Reserve Amount | (g) Attorney's fees |                    |

**IT IS UNDERSTOOD AND AGREED THAT THE INSURER SHALL NOT BE LIABLE TO MAKE ANY PAYMENT FOR LOSS IN CONNECTION WITH ANY CLAIM MADE AGAINST ANY INSURED BASED UPON, ARISING OUT OF, DIRECTLY OR INDIRECTLY RESULTING FROM OR IN CONSEQUENCE OF, OR IN ANY WAY INVOLVING ANY LAWSUIT, ADMINISTRATIVE PROCEEDING, WRITTEN DEMAND, FACT, CIRCUMSTANCE, OR SITUATION SET FORTH OR THAT SHOULD HAVE BEEN SET FORTH IN THE INSURED'S RESPONSE TO QUESTIONS 20. OR 21.**

### Prior Knowledge Information

22. Is any **Insured** aware of any fact, circumstance or situation involving any **Insureds** that might reasonably be expected to result in a **Claim** as defined in each **Coverage Section** applied for?  Yes  No

**IF "YES" TO QUESTION 22., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:**

- |                                  |  |                     |                    |
|----------------------------------|--|---------------------|--------------------|
| (a) Date <b>Claim</b> first made | (b) Claimant's Name                          | (c) Allegation      | (d) Current Status |
| (e) Demand Amount                | (f) Settlement (Indemnity) or Reserve Amount | (g) Attorney's fees |                    |

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**Documents Required** (The following information must be submitted with the completed Proposal Form).

Directors, Officers and Organization Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment

Employment Practices Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment

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**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 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.

**NOTICE TO NEW MEXICO, 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 SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

**NOTICE TO APPLICANTS OF KENTUCKY:** ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE 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.

**NOTICE TO APPLICANTS OF FLORIDA, MINNESOTA, NEW JERSEY, OHIO, AND OKLAHOMA:** ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

**NOTICE TO DISTRICT OF COLUMBIA, MAINE, MASSACHUSETTS, TENNESSEE, VIRGINIA, AND WASHINGTON 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 INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

### Please Read Carefully

The undersigned, acting on behalf of all **Insureds**, declare that the statements set forth herein are true and correct and that thorough efforts have been made to obtain sufficient information from each and every **Insured** proposed for this insurance to facilitate the proper and accurate completion of this Proposal Form.

The undersigned agree that the particulars and statements contained in the Proposal Form and any material submitted herewith are their representations and that they are material and are the basis of the insurance contract. The undersigned further agree that the Proposal Form and any material submitted herewith shall be considered attached to and a part of the **Policy**. Any material submitted with the Proposal Form shall be maintained on file (either electronically or paper) with the **Insurer** and shall be deemed to be attached hereto as if physically attached.

It is further agreed that:

- if any significant change in the condition of the applicant is discovered between the date of this Proposal Form and the **Policy** inception date, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the **Insurer** immediately;
- any **Policy**, if issued, will be in reliance upon the truth of such representations; provided, however, with respect to such statements and representations, no knowledge or information possessed by any **Insureds** shall be imputed to any other **Insureds**. If any person or persons knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons. However, if the Chairperson of the Board of Directors, President, Chief Executive Officer, or Executive Director of the **Insured Entity** knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons and the **Insured Entity**;
- this Proposal Form has been completed as respects the entire **Insured Entity**;
- and the signing of this Proposal Form does not bind the undersigned to purchase the insurance.

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Chairperson of the Board of Directors, President, Chief Executive Officer or Executive Director (Signature)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Chairperson of the Board of Directors, President, Chief Executive Officer or Executive Director (Print Name)

This Carolina Casualty Insurance Company Proposal Form, including any material submitted herewith, shall be held in strictest confidence.

**A POLICY CANNOT BE ISSUED UNLESS THE PROPOSAL FORM IS PROPERLY SIGNED AND DATED.**

Please submit this Proposal Form including appropriate documentation to:

Monitor Liability Managers, Inc., 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039