



[www.ani-rrg.org](http://www.ani-rrg.org)



## ANI #5

### *Directors and Officers Liability and Employment Practices Liability Supplemental Application*

Applicant Name: \_\_\_\_\_  
 Quote Need by Date: \_\_\_\_\_ Prop. Effective Date: \_\_\_\_\_  
 Limits Requested: \_\_\_\_\_

Please Note: This application is for Directors and Officers Liability coverage, and can only be bound in conjunction with a General Liability policy. For complete instructions on our submission requirements, please visit <https://www.ani-rrg.org/Brokers-New-Submissions.cfm>

#### DIRECTORS AND OFFICERS LIABILITY AND EMPLOYMENT PRACTICES LIABILITY (D&O and EPLI)

##### Board Management

1. Indicate total number of board members: \_\_\_\_\_  
 If fewer than three (3), please contact your underwriter to discuss an exception to this requirement.
2. Is the number of board members currently serving on Applicant's board of directors in compliance with the number required by the Bylaws or Articles of Incorporation of the organization?  Yes  No  
 If no, please explain: \_\_\_\_\_
3. Have more than forty-nine percent (49%) of the members of Applicant's board of directors received compensation within the previous twelve (12) months for their services to the nonprofit, either as an employee or independent contractor?  Yes  No  
 If yes, please explain: \_\_\_\_\_
4. Are more than forty-nine percent (49%) of the members of Applicant's board of directors related (sibling, spouse, in-law, or descendent) to a person currently being compensated as described in 3. above?  Yes  No  
 If yes, please explain: \_\_\_\_\_
5.
  - a. Are board meetings held at least two (2) times per calendar year?  Yes  No
  - b. Are written minutes of board and committee meetings kept?  Yes  No
  - c. Is attendance kept for every board meeting?  Yes  No
6. Does the board approve compensation of the following:
  - a. Executive Director or CEO:  Not applicable  Yes  No
  - b. CFO, Treasurer or Financial Manager:  Not applicable  Yes  No
  - c. Is compensation of the positions listed above comparable to salaries in the marketplace?  Yes  No
7. Has the board of directors of Applicant discussed the unsatisfactory performance of the Executive Director or other key management personnel during the past twelve (12) months?  Yes  No  
 If yes, please explain: \_\_\_\_\_

**Financial Information**

8. a. Please provide the following financial information for the Applicant. Check here if new organization and provide estimates below:

| 990 LINE ITEM | FINANCIAL INFORMATION | MOST CURRENT FISCAL YEAR YE | PREVIOUS FISCAL YEAR YE |
|---------------|-----------------------|-----------------------------|-------------------------|
| Line 12       | Annual Revenue        | \$                          | \$                      |
| Line 18       | Annual Expenses       | \$                          | \$                      |
| Line 19       | Net Revenue           | \$                          | \$                      |
| Line 20       | Total Assets          | \$                          | \$                      |
| Line 21       | Total Liabilities     | \$                          | \$                      |
| Line 22       | Fund Balance*         | \$                          | \$                      |

\*(Fund Balance = Total Assets – Total Liabilities)

- b. If current year reported above indicates a negative fund balance, please provide an explanation that includes steps Applicant is taking to avoid in the future and submit the most recent 990 Tax Form or Audited Financials including notes.

9. a. Has Applicant made any loans to, or received loans from, key employees or board members?  Yes  No

- b. If yes, please provide loan details:

From: \_\_\_\_\_ To: \_\_\_\_\_

Reason: \_\_\_\_\_

Amount: \_\_\_\_\_ Interest: \_\_\_\_\_

Terms: \_\_\_\_\_

10. For the most recent fiscal year, has Applicant reported any Related Party Transactions in their financial statement?  Yes  No

If yes, Applicant will be prompted to attach audited financials including notes before submitting app.

**Employment Practices**

11. a. Does Applicant have employees?  Yes  No

- b. If no: An Applicant that has no employees is eligible for our Flat-Fee D&O policy which excludes Employment Practices Liability coverage. If Applicant is interested in our Flat-Fee policy, check here:

- c. If yes, please indicate number of current employees:

| Full Time | Part Time | Temporary/Seasonal |
|-----------|-----------|--------------------|
|           |           |                    |

12. a. How many employees have left the organization in the past twelve (12) months? If none, check here:

| Voluntary | Involuntary | Laid Off | Demoted |
|-----------|-------------|----------|---------|
|           |             |          |         |

- b. If Applicant's most recent annual turnover rate is greater than thirty percent (30%), please explain:

\_\_\_\_\_

13. Is any significant reduction of employees or change of employee status anticipated in the next twelve (12) months?  Yes  No

If yes, please explain: \_\_\_\_\_

14. Indicate date Personnel Handbook was last updated by a Labor Law Professional: \_\_\_\_\_

If Applicant does not have a Personnel Handbook in place, check here:

**Employment Practices (continued)**

15. Please indicate whether Applicant has the following written policies or procedures in place:
- a. Employment At-Will:  Yes  No
  - b. Sexual Harassment Complaint Procedure:  Yes  No
  - c. Anti-Retaliation (including employee whistleblower protection):  Yes  No
  - d. Accommodation of Disabled Employees:  Yes  No

**Claims and Insurance Information**

Important Notice: All known claims and/or incidents that could reasonably result in a claim are specifically excluded from coverage. Report all such claims to your current insurer.

16. Has Applicant been involved in any grievance or other administrative proceeding before any agencies in the last five (5) years?  Yes  No  
 If yes, please explain: \_\_\_\_\_
17. Does Applicant have knowledge or information of any act, error or omission which might reasonably be expected to give rise to a claim, including any employment-related actions, claims or suits?  Yes  No  
 If yes, please complete a Supplemental Claims Application #11 for each incident.
18. Attach currently valued loss runs for the past five (5) years as well as a completed supplement for each claim that has been reported under any Directors and Officers, Fiduciary Liability, and/or Employment Practices Liability policy in the last five (5) years. If no coverage was in force, but an incident did occur, please complete the Supplemental Claims Application #11 to describe each incident.  
 If none, check here:
19. In the past five (5) years, has any insurance carrier declined, canceled or non-renewed any D&O coverage?  Yes  No  
 If yes, please explain: \_\_\_\_\_
20. Provide the following information regarding Applicant's current insurance policies. If none, so indicate.

| Type of Policy:  | Insurance Carrier | Expiration Date | Limit | Deductible | Premium |
|--|-------------------|-----------------|-------|------------|---------|
| Directors & Officers:<br>If none, check here: <input type="checkbox"/>                   |                   |                 |       |            |         |
| Employment Practices Liability:<br>If none, check here: <input type="checkbox"/>         |                   |                 |       |            |         |
| Fiduciary Liability (other than ERISA):<br>If none, check here: <input type="checkbox"/> |                   |                 |       |            |         |

**Optional Questions - Board Governance**

21. Is a procedure in place for replacing board members who do not attend board meetings regularly?  Yes  No
22. Is an orientation provided for new board members?  Yes  No
23. Does the board have an Audit Committee that is independent of management (i.e., paid managers do not serve on this committee)?  Yes  No
24. Has the board adopted a Conflict of Interest policy?  Yes  No
25. How many years has the current Executive Director been employed in this position? \_\_\_\_\_
26. Does the Board of Directors conduct an annual written review of the performance of the Executive Director/CEO?  Yes  No

**SIGNATURES**

Any person who knowingly and with intent to defraud any insurance company or another 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 the person to criminal and (NY: substantial) civil penalties. (Not applicable in CO, HI, NE, OH, OK, OR, OR VT. In DC, LA, ME, TN and VA, insurance benefits may also be denied). The undersigned is an authorized representative of the applicant and certifies that reasonable inquiry has been made to obtain the answers to questions on this application. He/she certifies that the answers are true, correct and complete to the best of his/her knowledge.

**NOTICE:** This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group.

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Producer's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print or type applicant's name

\_\_\_\_\_  
Applicant's Title