

## WAGE AND HOUR COVERAGE ENHANCEMENT SUPPLEMENTAL APPLICATION

**NOTICE TO NEW YORK APPLICANTS: THE POLICY FOR WHICH THIS APPLICATION IS MADE IS A CLAIMS MADE POLICY. UPON TERMINATION OF COVERAGE FOR ANY REASON, A 60-DAY AUTOMATIC EXTENSION PERIOD WILL APPLY. FOR AN ADDITIONAL PREMIUM, AN EXTENDED REPORTING PERIOD OF TWELVE MONTHS CAN BE PURCHASED AS INDICATED IN THE POLICY. EXCEPT AS OTHERWISE PROVIDED HEREIN, THE POLICY ONLY APPLIES TO CLAIMS FIRST MADE DURING THE POLICY PERIOD, THE AUTOMATIC EXTENSION PERIOD OR, IF APPLICABLE, THE EXTENDED REPORTING PERIOD. NO COVERAGE EXISTS FOR CLAIMS MADE AFTER THE END OF THE POLICY PERIOD AND THE AUTOMATIC EXTENSION PERIOD EXCEPT TO THE EXTENT THE EXTENDED REPORTING PERIOD APPLIES. NO COVERAGE WILL EXIST AFTER THE EXPIRATION OF THE AUTOMATIC EXTENSION PERIOD OR, IF PURCHASED, THE EXTENDED REPORTING PERIOD, WHICH MAY RESULT IN A POTENTIAL COVERAGE GAP IF PRIOR ACTS COVERAGE IS NOT SUBSEQUENTLY PROVIDED BY THE OTHER INSURER. DURING THE FIRST SEVERAL YEARS OF A CLAIMS-MADE RELATIONSHIP, CLAIMS-MADE RATES ARE COMPARATIVELY LOWER THAN OCCURRENCE RATES, AND THE INSURED CAN EXPECT SUBSTANTIAL ANNUAL PREMIUM INCREASES, INDEPENDENT OF OVERALL RATE INCREASES, UNTIL THE CLAIMS-MADE RELATIONSHIP REACHES MATURITY. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS SHALL BE REDUCED AND MAY BE EXHAUSTED BY DEFENSE COSTS AND DEFENSE COSTS SHALL BE APPLIED TO THE RETENTION. THE INSURER IS NOT OBLIGATED TO PAY ANY LOSS, INCLUDING DEFENSE COSTS, AFTER THE LIMIT OF LIABILITY HAS BEEN EXHAUSTED BY PAYMENT OF LOSS, INCLUDING DEFENSE COSTS.**

**NOTICE TO MINNESOTA APPLICANTS: THE POLICY FOR WHICH THIS APPLICATION IS MADE IS A CLAIMS MADE AND REPORTED POLICY SUBJECT TO ITS TERMS. THIS POLICY APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF PURCHASED, PROVIDED SUCH CLAIM IS REPORTED TO THE INSURER OR THE INSURER'S AGENT OR BROKER AS PROVIDED IN THE POLICY. ONLY CLAIMS ACTUALLY MADE DURING THE POLICY PERIOD ARE COVERED UNLESS COVERAGE FOR AN EXTENDED REPORTING PERIOD IS PURCHASED. IF AN EXTENDED REPORTING PERIOD IS NOT MADE AVAILABLE THE INSURED RISK'S HAVING GAPS IN COVERAGE WHEN SWITCHING FROM ONE COMPANY TO ANOTHER. MOREOVER, EVEN IF SUCH A REPORTING PERIOD IS MADE AVAILABLE THE INSURED MAY BE PERSONALLY LIABLE FOR CLAIMS REPORTED AFTER THE PERIOD EXPIRES. CLAIMS MADE POLICIES MAY NOT PROVIDE COVERAGE FOR WRONGFUL ACTS COMMITTED BEFORE A FIXED RETROACTIVE DATE. RATES FOR CLAIMS MADE POLICIES ARE DISCOUNTED IN THE EARLY YEARS OF A POLICY, BUT INCREASE STEADILY OVER TIME. AMOUNTS INCURRED AS DEFENSE COSTS SHALL REDUCE AND MAY EXHAUST THE APPLICABLE LIMITS OF LIABILITY AND ARE SUBJECT TO THE RETENTIONS.**

**NOTICE TO ALL OTHER APPLICANTS: THE POLICY FOR WHICH THIS SUPPLEMENTAL APPLICATION IS MADE IS A CLAIMS MADE AND REPORTED POLICY. SUBJECT TO ITS TERMS, SUCH POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR AN APPLICABLE EXTENDED REPORTING PERIOD AND REPORTED TO THE INSURER IN ACCORDANCE WITH THE POLICY TERMS. DEFENSE COSTS SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTIONS. THE INSURER IS NOT LIABLE FOR DEFENSE COSTS OR ANY JUDGMENT OR SETTLEMENT ONCE THE LIMIT OF LIABILITY IS EXHAUSTED BY DEFENSE COSTS OR OTHER LOSS. THE APPLICATION, ITS ATTACHMENTS AND THIS SUPPLEMENTAL APPLICATION ARE HEREBY ATTACHED AND MADE A PART OF THIS 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 STATEMENTS AT END OF APPLICATION CAREFULLY.

**ORGANIZATIONAL INFORMATION:**

Applicant Name \_\_\_\_\_

Principal Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_ Web Address \_\_\_\_\_

- |   | Yes  | No   |
|---|--|--|
| 1. Do you regularly consult with an employment attorney with respect to wage and hour issues, including job descriptions, hourly rates, overtime, meal and rest breaks, and conduct audits with respect to the classification of employees as salaried, hourly, and/or independent contractor? If yes, please provide the name of the attorney, law firm and frequency:<br>Atty: _____ Law Firm: _____<br>Frequency: _____<br>If no, describe how your company ensures compliance with federal, state and local wage and hour laws. | <input type="checkbox"/>                             | <input type="checkbox"/>                             |
| 2. Do you employ any sales personnel that make sales calls outside of your premises?<br>If yes, do they get paid on a commission or partial commission basis?   | <input type="checkbox"/><br><input type="checkbox"/> | <input type="checkbox"/><br><input type="checkbox"/> |
| 3. Do all salaried employees:   |  |  |
| a) receive at least 2x your state's prevailing minimum wage per week?   | <input type="checkbox"/>                             | <input type="checkbox"/>                             |
| b) as part of their primary duties, exercise some discretion and independent judgment, including providing weighted input into hiring, promotion and firing decisions?  | <input type="checkbox"/>                             | <input type="checkbox"/>                             |
| c) that are supervisors manage 2 or more employees and spend at least 50% of their time supervising said employees?   | <input type="checkbox"/>                             | <input type="checkbox"/>                             |
| 4. Do all non-salaried employees receive at least the prevailing minimum wage as well as meal and rest breaks (where the employee is relieved of all duties during such breaks)?  | <input type="checkbox"/>                             | <input type="checkbox"/>                             |
| 5. Are all non-salaried employees compensated for on-call time and travel time and reimbursed for business-related expenses (i.e., uniforms, tools, gas, etc.) and time spent putting on or removing uniforms?  | <input type="checkbox"/>                             | <input type="checkbox"/>                             |
| 6. Are all non-salaried employees paid overtime for any hours worked in excess of 40 hours per week, or where applicable, 8 hours per day?  | <input type="checkbox"/>                             | <input type="checkbox"/>                             |
| 7. Do you utilize a time-keeping system that tracks in-time, out-time, meal and rest breaks?  | <input type="checkbox"/>                             | <input type="checkbox"/>                             |

Yes No

- 8. Do you utilize independent contractors?  Yes  No  
 If yes, is there a written indemnity agreement holding Applicant harmless for any wage and hour violations?  Yes  No
- 9. Do you provide itemized wage statements to all of your employees, including wages paid, deductions, tips & commissions where applicable, and, for hourly employees, regular and overtime hours?  Yes  No
- 10. Do you maintain payroll records, including time-keeping records and wage statements, for a period of at least 4 years?  Yes  No
- 11. Do all tip sharing / tip pooling arrangements exclude all management (including assistant manager) employees?  Yes  No
- 12. Have any lawsuits, class actions, administrative proceedings (including audits, investigations or reviews by the Department of Labor or similar state agencies including but not limited to the California Department of Industrial Relations), or any hearings or demands been made against the Applicant or any entity or person proposed for this insurance during the last five (5) years alleging violations of any federal, state or local wage and hour laws or regulations in support thereof? (If yes, please give full details).  Yes  No
- 13. As of the date of this Application, does any Applicant, director, officer or other proposed Insured have knowledge or information of any fact, circumstance, situation, event or transaction which may give rise to a claim under this proposed insurance? (If yes, please give full details).  Yes  No

Any Additional Information

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**SIGNATURE SECTION**

THE UNDERSIGNED AUTHORIZED EMPLOYEE OF THE APPLICANT DECLARES THAT THE STATEMENTS SET FORTH HEREIN ARE TRUE. THE UNDERSIGNED AUTHORIZED EMPLOYEE AGREES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE EFFECTIVE DATE OF THE INSURANCE, HE/SHE WILL, IN ORDER FOR THE INFORMATION TO BE ACCURATE ON THE EFFECTIVE DATE OF THE INSURANCE, IMMEDIATELY NOTIFY THE UNDERWRITER OF SUCH CHANGES, AND THE UNDERWRITER MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS OR AUTHORIZATIONS OR

AGREEMENTS TO BIND THE INSURANCE. FOR NEW HAMPSHIRE AND MAINE APPLICANTS, THE FOREGOING STATEMENT IS LIMITED TO THE BEST OF THE UNDERSIGNED'S KNOWLEDGE, AFTER REASONABLE INQUIRY. IN MAINE, THE UNDERWRITERS MAY MODIFY BUT MAY NOT WITHDRAW ANY OUTSTANDING QUOTATIONS OR AUTHORIZATIONS OR AGREEMENTS TO BIND THE INSURANCE.

SIGNING OF THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE UNDERWRITER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THIS APPLICATION SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IT WILL BECOME PART OF THE POLICY.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF. FOR NORTH CAROLINA, UTAH, AND WISCONSIN APPLICANTS, SUCH APPLICATION MATERIALS ARE PART OF THE POLICY, IF ISSUED, ONLY IF ATTACHED AT ISSUANCE.

I UNDERSTAND AND AGREE THESE INVESTIGATIONS SHALL NOT BE CONFINED TO INFORMATION SUBMITTED IN THIS APPLICATION, BUT SHALL INCLUDE ANY OTHER SOURCES OF INFORMATION DEEMED RELEVANT BY THE COMPANY AS MAY BE AUTHORIZED BY LAW.

APPLICANT AND ALL OWNERS, EMPLOYEES, AND CONTRACTORS ARE LICENSED OR DULY AUTHORIZED IN ALL STATES OR JURISDICTIONS WHERE PROFESSIONAL SERVICES ARE PROVIDED. APPLICANT ATTESTS TO THE TRUTH OF ALL ANSWERS TO THE ABOVE QUESTIONS, AND THAT APPLICANT HAS NOT WITHHELD ANY INFORMATION WHICH IS CALCULATED TO INFLUENCE THE JUDGMENT OF THE INSURANCE COMPANY IN CONSIDERING THIS APPLICATION.

#### **FRAUD WARNING DISCLOSURE**

**ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT (S)HE IS FACILITATING A FRAUD AGAINST THE INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.**

**NOTICE TO ALABAMA, ARKANSAS, LOUISIANA, NEW MEXICO AND RHODE ISLAND APPLICANTS:** ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**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 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.

**NOTICE TO DISTRICT OF COLUMBIA APPLICANTS:** WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

**NOTICE TO FLORIDA APPLICANTS:** 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.

**NOTICE TO KANSAS APPLICANTS:** ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD, PRESENTS, CAUSES TO BE PRESENTED OR PREPARES WITH KNOWLEDGE OR BELIEF THAT IT WILL BE PRESENTED TO OR BY AN INSURER, PURPORTED INSURER, BROKER OR AGENT THEREOF, ANY WRITTEN STATEMENT AS PART OF, OR IN SUPPORT OF, AN APPLICATION FOR THE ISSUANCE OF, OR THE RATING OF AN INSURANCE POLICY FOR PERSONAL OR COMMERCIAL INSURANCE, OR A CLAIM FOR PAYMENT OR OTHER BENEFIT PURSUANT TO AN INSURANCE POLICY FOR COMMERCIAL OR PERSONAL INSURANCE WHICH SUCH

PERSON KNOWS TO CONTAIN MATERIALLY FALSE INFORMATION CONCERNING ANY FACT MATERIAL THERETO; OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT.

**NOTICE TO MAINE, 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 MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

**NOTICE TO MARYLAND APPLICANTS:** ANY PERSON WHO KNOWINGLY OR WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY OR WILLFULLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**NOTICE TO OKLAHOMA APPLICANTS:** WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

**NOTICE TO KENTUCKY, NEW JERSEY, NEW YORK, OHIO 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 CLAIMS 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.)

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_  
(Owner, Partner, Authorized Officer)

Title: \_\_\_\_\_

If this **Application** is completed in Florida, please provide the Insurance Agent's name and license number. If this **Application** is completed in Iowa or New Hampshire, please provide the Insurance Agent's name and signature only.

Agent's Printed Name: \_\_\_\_\_

Florida Agent's License Number: \_\_\_\_\_

Agent's Signature: \_\_\_\_\_