

EMPLOYMENT PRACTICES LIABILITY INSURANCE - PROPOSAL FORM

Completing the Proposal Form

Annexure CI 2B

* Please answer ALL questions in full leaving no blank spaces.

* If you have insufficient space to complete any of your answers, please attach a separate signed and dated sheet and identify the question number concerned.

Employment Practices Liability Coverage is written on a claim made basis. Except as otherwise provided, this policy will cover only claims first made against the insured during the policy period. Please note that the defense costs provision of this policy stipulates that the limits of liability may be completely exhausted by the cost of legal defense. Any deductible may be similarly reduced or exhausted by defense costs.

PLEASE READ THE POLICY CAREFULLY

GENERAL INFORMATION

Principal Organisation: _____

Principal Address: _____

Nature of Business: _____

How long has the **Principal Organisation** continuously carried on business? _____

Is the **Principal Organisation** Publicly or Privately owned? _____

Total number of employees _____

	Currently	One year ago	Two years ago
Full time - Executive Officers			
Full time - Employees			

Does the Principal Organisation have employees in the United States of America? Yes No

If yes, please specify the number of employees _____

If the number of employees is in excess of 100, the **Principal Organisation** is required to complete and provide along with this proposal form.

EMPLOYMENT PRACTICES INFORMATION

i) Does the proposed Principal Organisation:

a) Use outside employment counsel for employment advice? Yes No

b) Have a full time human resources manager or department? Yes No

If not, how is this function handled? _____

ii) Does the proposed Principal Organisation:

a) Conducted any retrenchments or staff reductions during the last 6 years? Yes No

If yes, attach details _____

b) Anticipate any retrenchments or staff reductions? Yes No

If yes, attach details _____

c) Have a written employment contract with any employee? Yes No

If yes, how many? _____

d) Distribute an employee handbook to all employees? Yes No

If no, please explain why? _____

e) Have a manual of its human resource procedures? Yes No

If yes, indicate the date it was revised _____

f) Provide formal training for its supervisors in administering these procedures? Yes No

g) Have a written policy against discrimination, including sexual harassment? Yes No

If yes, how is it communicated to employees? _____

h) Have a grievance procedure for dealing with discrimination claims? Yes No

i) Use any tests (e.g. psychological, drug etc) for screening applicants or for continued employment? Yes No

If yes, attach details _____

j) Have a written progressive disciplinary program? Yes No

k) Provide outplacement for terminated employees? Yes No

If yes, please describe _____

l) Have an established termination procedure? Yes No

If yes, please describe _____

m) Have an established severance policy? Yes No

If yes, please describe _____

n) Obtain advice from a human resource manager prior to terminating an employee? Yes No

If no, attach following details _____

iii) Who has the authority to:

a) hire employees? _____

b) terminate employees? _____

LOSS HISTORY

a) Please attach a listing of all employment legal actions as well as administrative proceedings commenced during the past 3 years. Describe the type of allegation, the court or government agency involved and any determination, judgment, defence cost or settlement for each.

b) Is the **Principal Organisation** presently subject to any judicial or administrative order, decree, judgment or conciliation agreement relating to employment?

Yes No If yes, please attach a copy. _____

PRIOR INSURANCE

a) Does the Principal Organisation currently have employment practices liability insurance or similar insurance? Yes No

If no, skip to Section 6 and answer the warranty statement. If yes provide the following:

Insurer _____	Limits _____	Deductible _____	Policy Period _____
	Rs. _____	Rs. _____	

b) Has the Principal Organisation or any Insured Person given written notice under the provisions of any prior or current directors and officers liability policy of specific facts or circumstances which might give rise to a claim being made against any Insured? Yes No

If yes, attach details.

CONTINUITY WITH PRIOR COVERAGE

Note: This section applies only if you currently have coverage and request continuity of coverage.

Continuity Date requested _____

If continuity of coverage is requested:

- a) attach a copy of the prior proposal with which continuity of coverage is to be maintained.
- b) the Company will be relying upon the declarations and statements contained in such prior proposal and those declarations and statements shall be considered to be incorporated in and form a part of the policy of the Company.

PRIOR KNOWLEDGE/WARRANTY

Note: This section applies if you have requested continuity of coverage and your request has not been accepted or granted, or if there is no prior coverage. In addition, this section need not be completed if this proposal forms part of a renewal of a current Federal Insurance Company employment practices liability insurance policy.

Is any person proposed for coverage cognisant of any facts or circumstances (a) which he or she has reason to suppose might afford valid grounds for any future

Claim(s) such as would fall within the scope of the proposed coverage or (b) which indicate the probability of any such **Claim(s)**? Yes No

If yes, please give details: _____

It is agreed that if such facts or circumstances exist, any Claim or action arising therefrom is excluded from this proposed coverage.

FALSE INFORMATION

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

REQUESTED LIMIT: _____

ADDITIONAL INFORMATION

Please enclose with this proposal form

- a) The latest Audited Annual Reports.
- b) Most recent employee handbook.
- c) Functional organisation chart depicting Human Resource Department position

PREMIUM DETAILS

Amount Rs. Rupees _____

SOURCES OF FUND

Salary Business Other (Please Specify) _____

BANK ACCOUNT DETAILS

Bank Account No. Bank Name _____

Branch Name & Address _____

IMPORTANT

FRAUD WARNING

The Applicant understands that if a proposal has been completed for this insurance, then the statements and all particulars provided in such proposal, and any attachments thereto, are material to the company's decision to provide this insurance. The Applicant further understands that the company will, in its sole discretion, issue this Policy in reliance upon the truth of such statements and particulars.

THIS POLICY SHALL BE VOIDABLE AT THE OPTION OF THE COMPANY IN THE EVENT OF MIS-REPRESENTATION, MIS-DESCRIPTION OR NON-DISCLOSURE OF ANY MATERIAL PARTICULAR BY THE INSURED. ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD THE COMPANY OR OTHER PERSONS, FILES, A PROPOSAL FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT WHICH WILL RENDER THE POLICY VOIDABLE AT THE COMPANY'S SOLE DISCRETION AND RESULT IN A DENIAL OF INSURANCE BENEFITS. IF A CLAIM IS IN ANY RESPECT FRAUDULENT, OR IF ANY FRAUDULENT OR FALSE PLAN, SPECIFICATION, ESTIMATE, DEED, BOOK, ACCOUNT ENTRY, VOUCHER, INVOICE OR OTHER DOCUMENT, PROOF OR EXPLANATION IS PRODUCED, OR IF ANY FRAUDULENT MEANS OR DEVICES ARE USED BY THE APPLICANT/POLICYHOLDER, BENEFICIARY, CLAIMANT OR BY ANYONE ACTING ON THEIR BEHALF TO OBTAIN ANY BENEFIT UNDER THIS POLICY, OR IF ANY FALSE STATUTORY DECLARATION IS MADE OR USED IN SUPPORT THEREOF, OR IF LOSS IS OCCASIONED BY OR THROUGH THE PROCUREMENT OR WITH THE KNOWLEDGE OR CONNIVANCE OF THE APPLICANT, POLICYHOLDER, BENEFICIARY, CLAIMANT OR OTHER PERSON, THEN ALL BENEFITS UNDER THIS POLICY ARE FORFEITED.

Notice

Anti-Rebating

Per Section 41 of the Insurance Act 1938, as amended, the practice of rebating is prohibited, as follows:

NO PERSON SHALL ALLOW OR OFFER TO ALLOW, EITHER DIRECTLY OR INDIRECTLY, AS AN INDUCEMENT TO ANY PERSON TO TAKE OUT, RENEW OR CONTINUE AN INSURANCE POLICY, IN RESPECT OF ANY KIND OF RISK RELATING TO LIVES OR PROPERTY IN INDIA, ANY REBATE OF THE WHOLE OR PART OF THE COMMISSION PAYABLE OR ANY REBATE OF THE PREMIUM SHOWN ON THE POLICY, NOR SHALL ANY PERSON TAKING OUT OR RENEWING OR CONTINUING A POLICY ACCEPT ANY REBATE, EXCEPT SUCH REBATE AS MAY BE ALLOWED IN ACCORDANCE WITH THE PUBLISHED PROSPECTUS OF THE INSURER.

VIOLATIONS OF SECTION 41 OF THE INSURANCE ACT 1938, AS AMENDED SHALL BE PUNISHABLE WITH A FINE WHICH MAY EXTEND TO FIVE HUNDRED (500) RUPEES.

DECLARATION

The undersigned persons declare that to the best of their knowledge the statements set forth herein are true and correct and that reasonable efforts has been made to obtain sufficient information from each and every director, officer and employee proposed for this insurance to facilitate the proper and accurate completion of this Proposal. The undersigned further agree that, between the date of this Proposal and the effective date of the Policy, if insurance is provided, (1) any material change in the condition of the Applicant is discovered, or (2) there is any material change in the answers to the questions contained herein, either of which would render this Proposal inaccurate or incomplete, notice of such change will be reported in writing to the Company immediately and, if necessary, any outstanding quotation may be modified or withdrawn.

The signing of this Proposal does not bind the undersigned to purchase the insurance, but it is agreed by the Applicant and all persons proposed for this insurance that the particulars and statements contained in this Proposal and attachments and materials submitted with this Proposal (which shall be retained on file by the Company and shall be deemed attached to the Policy, if insurance is provided, as if physically attached thereto) are true and correct and will be the basis of the Policy and will be considered as incorporated in and constituting part of the Policy. It is further agreed by the Applicant and all persons proposed for this insurance that such particulars and statements are material to the decision to provide this insurance and that any Policy will be issued in reliance upon the truth of such particulars and statements. All such particulars and statements shall be deemed to be made by each and every one of the persons proposed for this insurance, provided that, except for any misstatements or omissions of which the signers of this Proposal are aware, any misstatements or omissions in this Proposal, or the attachments and materials submitted with it, concerning any matter which any person proposed for this insurance has reason to suppose might offer grounds for a future claim against him or her shall not be imputed, for purposes of rescission of the Policy, to any other persons proposed for this insurance who are not aware of the omission or the falsity of the statement.

PLEASE NOTE: ONLY DULY APPOINTED AGENTS OF THE COMPANY ARE AUTHORISED TO SOLICIT PROPOSALS FOR INSURANCE. AGENTS AND BROKERS ARE NOT AUTHORISED TO BIND INSURANCE. NO COVERAGE SHALL BE PROVIDED UNLESS THE COMPANY ACCEPTS THE PROPOSAL AND BINDS THE INSURANCE.

A policy cannot be issued unless the proposal is duly completed, signed, dated and stamped.

Signed _____ Title _____ Date _____

Director of Human Resources or Equivalent Only