



Epack 3

Small Business Application

Instructions for Completing this Application

This is a fillable PDF Document.

Please answer all questions fully. If necessary, as noted in the questions below, please provide additional responses in a supplemental document on your letterhead attached to this Application.

Upon completion the Application must be signed and dated by an authorized representative of the Applicant.

NOTICES

Please note that the insurance coverage to which this Application applies provides that the policy limit available is reduced by amounts incurred for legal defence costs and expenses and may be completely exhausted by such amounts. CNA will not be liable for any defence costs or expenses, nor any settlement or judgment amount after the exhaustion of the policy limit. Please also note that amounts incurred for defence costs and expenses will be applied to the applicable retention. This Notice is subject to the provisions of the Quebec Civil Code where applicable to an issued policy.

Providing information about a claim or potential claim in response to any question in any part of this Application does not create coverage for such claim or potential claim. The Applicant's failure to report to its current insurance company any claim made against it during the current policy period, or to report any act, omission, or circumstance of which the Applicant is aware that may give rise to a claim, before expiration of the current policy, may create a lack of coverage.

Please note that the submission of a completed, signed Application does not result in an obligation to purchase insurance or an obligation by the insurance company to bind insurance.

I. APPLICANT INFORMATION (Applicable To All Coverages)

Applicant to be named in Item 1. of Declarations (the "named insured"): _____

Address: _____

City: _____ Province: _____ Postal Code: _____

Website(s): _____

Telephone Number: _____

- a. Proposed effective date of coverage being applied for: _____
- b. Ownership Structure: Public Private Not-for-Profit Governmental Other: _____
- c. What is the nature of the Applicant's business? _____
- d. How many years has the Applicant been in business? _____
- e. What is the Applicant's annual revenues? \$ _____

II. COVERAGE REQUESTS

- 1. The Applicant is applying for the following coverages:
 - Directors and Officers and Entity Liability Employment Practices Liability
 - Fiduciary Liability Crime
- 2. Does the Applicant have Anti-Harassment and Anti-Discrimination written policy, guidelines, or procedures in place(answer for Employment Practices Liability only)? Yes No
- 3. Are any of the Applicant's plan multi-employer plans (answer for Fiduciary Liability only)? Yes No
- 4. Is there a governmental foreign parent? Yes No

III. FINANCIALS

Complete all items for Directors and Officers and Entity Liability Coverage, complete total equity and net income for other products:

Current Assets \$ _____ Current Liabilities \$ _____ Long Term Debt \$ _____ Total Liabilities \$ _____
 Total Equity \$ _____ Net Income \$ _____ EBIT \$ _____ Retained Earnings \$ _____

IV. GENERAL INFORMATION QUESTIONS

- 1. In the next 12 months (or during the last 12 months), indicate whether the Applicant and or any Subsidiary has experienced, or anticipates any of the following:
 - a. Merger, consolidation, or acquisition that would involve more than 50% of the total assets or voting stock or a change in management control? Yes No
 - b. Registration for a public debt or equity offering? Yes No
 - c. Material changes in nature or size of operations? Yes No
 - d. A bankruptcy filing or re-organization? Yes No
 - e. Operation as a federal contractor and subject to Executive Order 11246? Yes No
 - f. Formal investigation by a state or federal regulatory agency? Yes No
 - g. Notice of a claim or notice of a potential claim to any carrier for any coverage for which Applicant is applying? Yes No

If you answered "Yes" to the above please provide whether reimbursed by insurance or not:

Product: _____ Date: _____ Amount paid: \$ _____

Please describe the claim or notice of claim: _____

If additional space is needed, please attach separately.

- b. Of the total US employees, how many are located in:
- i. California: _____ ii. Texas : _____ iii. New-York : _____
 - iv. New-Jersey: _____ v. Illinois : _____ vi. Alabama : _____
- c. Of the total employees, how many are:
- Loaned and/or leased: _____ Temporary or seasonal: _____
- Foreign based: _____ Union: _____
- Independent contractors: _____
- d. What percentage of current employees have annual compensation (wages or salaries plus bonuses) of \$100,000 or more? _____

2. Does the Applicant have the following written policies, guidelines, or procedures (check all that apply)
- a. Training for employees on issues of discrimination and sexual and other workplace harassment
 - b. Handling of employee grievances or complaints
 - c. Classification of the status of each employee as non-exempt or exempt under any federal, provincial, state, or local law which regulates minimum wage and overtime pay
 - d. None of the above
3. Have there been, or will there be any layoffs, staff reductions, or facility closings in the preceding or next 12 months? Yes No

If you answered "Yes" above, what percentage of workforce will or has been affected? _____
 (If greater than 25% will be affected, please also complete the Reduction-in-Force (RIF) section below)

Reduction-In-Force (RIF) Section

(to be completed only if the Applicant answered "yes" to question 3 above)

A. Please provide the following details:

Date of Workforce Reduction	Reason for Workforce Reduction	Number of Employees Affected
_____	_____	_____
_____	_____	_____
_____	_____	_____

- B. Was a disparate impact analysis completed? Yes No
- C. Did the Applicant consult with outside counsel conversant with employment and labor laws regarding the reduction in workforce? Yes No
- D. Does the Applicant have a formal out-placement program for employees terminated as a result of downsizing, layoffs, or reduction-in-force? Yes No
- E. Was or will severance compensation (be) available to all affected employees? Yes No
- F. Were or are the affected employees required to sign a release for the severance package? Yes No

VII. FIDUCIARY LIABILITY COVERAGE PART

(to be completed only if the Applicant is seeking Fiduciary Liability coverage)

1. Please indicate the type of plans for which insurance is requested:

*Plan Type	Name of Plan(s)	Assets	Total Plan Participants
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____

*Plan Types: DB = Defined Benefit Pension Plan; DC=Defined Contribution Pension Plan; E = ESOP (Employee Stock Ownership Plan); R= Registered Retirement Savings Plan; O=Other

- 2. During the past 12 months or during the next 12 months has (will) any plan been (be) terminated, suspended, merged, dissolved, or converted to a cash balance? Yes No
- 3. During the past 12 months or during the next 12 months has the Applicant or any Subsidiary offered any fiduciary plans that hold employer securities or offer an investment in employer securities? Yes No
- 4. Are there any outstanding or delinquent plan contributions? Yes No
- 5. Are any plan loans, leases, or debt obligations considered uncollectable or in default? Yes No
- 6. Are any plan service providers reviewed at least annually with respect to both fees and performance?
If you answered "Yes" above, are the process and results documented? Yes No

VIII. CRIME COVERAGE PART

(to be completed only if the Applicant is seeking Crime coverage)

- 1. What is the total number of employees in foreign countries: _____
- 2. What is the total number of employees on client's premises: _____
- 3. Is a countersignature required on all checks signed by an employee of the Applicant? Yes No
- 4. Are all employees authorized to reconcile the Applicant's bank accounts prohibited from signing checks and making any deposits or withdrawals from any of the Applicant's accounts? Yes No
- 5. Does the Applicant or any Subsidiary have currency, precious or semi-precious metals or stones (such as gold, silver, platinum, diamonds), or other high value, easily concealed property valued at more than \$10,000 on an insured premises? Yes No
- 6. Does the Applicant or any Subsidiary require signed approval of 2 or more employees for all purchases not approved by the owner? Yes No
- 7. Total number of retail locations: _____
- 8. Does the Applicant or any Subsidiary require signed approval of 2 or more employees for all vendor payments not approved by the owner? Yes No

APPLICANT REPRESENTATION

(To Be Completed by Applicant)

The Applicant Representation applies to all coverages that have been completed as part of this Application.

1. Special Representation applicable to the following Coverages only (if to be part of this policy):

For the coverages checked below, the Applicant has current coverages in place with either CNA or with any other carrier:

Coverages	Coverage has been in place since:
<input type="checkbox"/> Directors and Officers Liability	_____
<input type="checkbox"/> Employment Practices Liability	_____
<input type="checkbox"/> Fiduciary Liability	_____
<input type="checkbox"/> Crime	_____

The Applicant requests continuity for these coverages and this Applicant Representation does not apply to these coverages.

If no checkboxes are checked above then this Applicant Representation applies to any of these coverages for which the Application has been completed subject to the following:

Applicant Representation - None of the individuals to be insured under any Coverage Part is responsible for or has knowledge of any wrongful act or fact, circumstance, or situation which they have reason to believe might result in a future claim, except as follows:

- Yes, there are exceptions to this Representation (please attach details)
- No, there are no exceptions to this Representation

If any wrongful act or fact, circumstance, or situation which the Applicant has reason to believe might result in a future claim, whether not disclosed above, then the Applicant acknowledges and agrees, unless the proposed insurance policy expressly provides otherwise, any loss, claim, or action arising out of, based upon, or attributable to such wrongful act or fact, circumstance, or situation will be excluded from coverage in accordance with the Application provision of the proposed policy.

2. Special Representation applicable to the Epac 3 Crime Coverage Part only (if to be made part of this policy):

The employees of the Applicant have all, to the best of the Applicant’s knowledge, always performed their duties honestly. The Applicant has no knowledge, except as stated herein of any information that any employees have committed dishonest acts either prior to or during their employment by the Applicant. Such knowledge by a director or officer that is signing for the Applicant, of their own personal dishonest acts which are unknown to any other directors and officers of the Applicant, is not imputable to the Applicant.

3. Representations applicable to all coverages to be made part of this policy:

The Applicant hereby declares, after diligent inquiry, that the information contained herein and in any supplemental applications or forms required hereby are true, accurate, and complete, and that no material facts have been suppressed or misstated. The Applicant acknowledges a continuing obligation to report to the CNA Company (the “Company”) to whom this Application is made, as soon as practicable, any material changes in all such information after signing the Application and prior to issuance of the policy. The Applicant further acknowledges that the Company will have the right to withdraw or modify any outstanding quotations and/or authorizations or agreement to bind the insurance based upon such changes.

Further, the Applicant understands and acknowledges that:

- a. Completion of this Application and any supplemental applications or forms does not bind the Company to issue a policy;
- b. If a policy is issued, the Company has relied upon, as representations, this Application, any supplemental application, and other statements furnished to the Company in conjunction with this Application;
- c. All supplemental applications, statements, and other materials furnished to the Company in conjunction with this Application are hereby incorporated by reference into this Application and made a part hereof;

- d. This Application will be the basis of the contract and will be incorporated by references into and made a part of such policy;
- e. If a policy is issued, the limit of liability contained in the policy will be reduced and may be completely exhausted by the payment of loss, defense costs, and expenses. In such event the Company will not be liable for loss, defense costs, and expenses to the extent that such loss, expenses, and defense costs exceed the limit of liability of this policy;
- f. If a policy is issued, defense costs and expenses incurred will be applied against the deductible or retention amount as provided in the policy;
- g. The Applicant's failure to report to its current insurance company:
 - i. any claim made against it during the current policy term; or
 - ii. any act, omission, or circumstances which the Applicant is aware of that may give rise to a claim; before expiration of the current policy may create a lack of coverage.

FRAUD NOTICE

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and may be subject to civil fines and criminal penalties.

The Applicant, through the undersigned authorized representative, hereby acknowledges that the aforementioned statements and answers are accurate and complete. Applicant further understands that any inaccurate or incomplete statements may result in an exclusion or denial of insurance coverage. Applicant further authorizes CNA Insurance Companies to release the information on this Application and associated underwriting information.

Applicant:

By: _____
*Signature and Title** *Printed Name of Authorized Representative*

Date: _____

*** This Application must be signed by the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel or Risk Manager (or the Director of Human Resources [for Employment Practices Liability coverage] or the Director of Benefits [for Fiduciary Liability coverage]) of the Applicant acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance.**

Note: For purposes of the Insurance Companies Act (Canada), this document was made in the course of Continental Casualty Company's insurance business in Canada.

