

11. In the next twelve (12) months, do you anticipate the total number of your employees to decrease by more than ten percent (10%) or five (5) employees, whichever is **greater**, through any reduction in force, systematic lay-off or by closure of any division, office or facility that you own or operate?

Yes No

(If Yes, please complete the Reduction In Force supplement B)

12. If the applicant does have a human resources manual or equivalent written guidelines, does it contain a policy or procedure for the following:

12a. Hiring/interviewing.....Yes No

12b. Terminations, redundancy, and early retirements..... Yes No

12c. Performance appraisal.....Yes No

12d Discipline..... Yes No

12e. Grievance procedure.....Yes No

12f. Fitness for work..... Yes No

12g. Drug testing..... Yes No

12h. Polygraph testingYes No

12i. Confidential treatment of medical examinations.....Yes No

12j. Sexual harassment..... Yes No

12k. Age discrimination.....Yes No

12l. Sexual Discrimination.....Yes No

12m. Racial Discrimination..... Yes No

12n. Americans with Disabilities ActYes No

THIRD PARTY INFORMATION

13. Does the Applicant conduct staff training on client and customer relations issues such as avoiding discriminatory behavior?

Yes No

14. Are there procedures for reporting and dealing with complaints by customers/clients?

Yes No

15. Is the Applicant in compliance with Title III of the Americans with Disabilities Act (building and premises requirements)?

Yes No

FINANCIAL INFORMATION

16. Please answer the following four (4) questions for the Insured Company, including its subsidiaries, for the most recent fiscal year end:

a) What are the Applicant's total assets? \$ _____

Applicant currently have: Net Income or
 Net Loss
 Amount \$ _____

c) Does the Applicant currently have: Positive Cashflow or
 Negative Cashflow
 Amount \$ _____

d) Does the Applicant currently have: Shareholder's/Members Equity or

Shareholder's/Members Deficit
 Amount \$ _____

17. Has an auditor in the previous two (2) fiscal years recommended a "going concern" opinion of the financial information for the Applicant?

Yes No

(If Yes, please provide details on a separate sheet)

INSURANCE

18. Please provide details of any and Employment Practices Liability Insurance presently carried :

| Type of Insurance | Company | Limit | Deductible | Annual Premium | Expiration Date | Retroactive Date |
|------------------------|---------|-------|------------|----------------|-----------------|------------------|
| Professional Liability | | | | | | |
| Employment Practices | | | | | | |

CLAIMS

19. Litigation: circumstances, previous losses and claims

a) Have any claims, proceedings or suits ever been made or threatened against the Applicant or any entity intended to be covered or any present or former directors, officers, trustees or employees?

Yes No

b) Is the Applicant or any entity or person intended to be covered aware of any fact, circumstance or situation which may reasonably be expected to give rise to a claim against it or any of its directors, officer, trustees or employees?

Yes No

If yes to any of the above, please complete Claims Reporting Form Attached

ADDITIONAL INFORMATION

20. Please attach the following information:

- a. Your company's brochure or Statement of Qualifications
- b. A list of all subsidiaries proposed for coverage, including the following information: the nature of business, name of owner(s), percent owned by each owner and the date created or acquired

The Applicant declares that, after inquiry, to the best knowledge of all persons to be insured the statements set forth herein and in any attachments hereto are true and no material facts have been suppressed, omitted or misstated. Underwriters reserve the right to amend the terms, conditions and limitations of any policy issued as a result of this application if, subsequent to the date of this application, but prior to the inception of such policy, there are any material alterations to the information contained herein.

Completion of this application does not bind the Underwriter to provide coverage, but it is agreed that the statements and particulars contained herein will be relied upon by Underwriters in the event a policy is issued.

Name (*please print*): _____

Title: _____

Applicant's Signature: _____

Date: _____

Phone: _____

Fax: _____

E-Mail: _____

Web-site: _____

**APPLICATION FOR ARCHITECTS/ENGINEERS PROFESSIONAL LIABILITY INSURANCE
AND EMPLOYMENT PRACTICES LIABILITY INSURANCE**

CLAIM REPORTING FORM

Firm Name: _____

FOR EACH CLAIM that has been made against the Applicant or any of its present or former directors, officers, trustees or employees, please provide the following:

1. Full name of the entity and/or individual(s) involved in the claim:

2. Additional defendants:

3. Full name of the claimant(s):

4. Date of alleged act, error or omission:

5. Name of insurance company to whom this claim has been reported:

6. Date claim was made: _____

7. Present status of the claim:

Open, no law suit Open, with a law suit Closed

8. If closed:

a. Total Damages paid/outstanding: \$ _____

b. Defense Expense paid/outstanding: \$ _____

REDUCTION IN FORCE SUPPLEMENT A

A. HOW MANY EMPLOYEES WERE LAID OFF? _____

B. WHAT DATE(S) DID THE LAY-OFF'S TAKE PLACE? _____

C. Did you consult with and follow the recommendations of a lawyer who specializes in labor and employment law as respects the implementation of such reduction, lay-off or closure?
Yes No

D. Were severance packages offered to all laid-off employees? Yes No

E. Were signed releases gained from all laid-off employees? Yes No

F. Were exit interviews completed with all laid-off employees? Yes No

G. Did any of the laid off employees express that they were considering bringing any sort of complaint or claim?
YES NO

H. PLEASE PROVIDE AVAILABLE DETAILS ON THE ABOVE.

REDUCTION IN FORCE SUPPLEMENT B

A. HOW MANY EMPLOYEES WILL BE LAID OFF? _____

B. WHAT DATE(S) WILL THE LAY-OFF BE EFFECTIVE? _____

C. Do you agree to consult with and follow the recommendations of a lawyer who specializes in labor and employment law as respects the implementation of such reduction, lay-off or closure?
Yes No

D. Will severance packages be offered to all laid-off employees? Yes No

E. Will signed releases be gained from all laid-off employees? Yes No

F. Will exit interviews be completed with all laid-off employees? Yes No

G. PLEASE PROVIDE AVAILABLE DETAILS ON THE ABOVE.