

EMPLOYMENT PRACTICES LIABILITY COVERAGE ACCEPTANCE / DECLINATION FORM

**Applicant / Named Insured
Quote / Binder / Policy
Number** _____

A. Acceptance / Declination of Coverage

- I choose to accept Employment Practices Liability coverage at an aggregate limit of \$100,000 subject to a \$5,000 Deductible. **If you so choose, please complete Section B below and sign & date.**
- I choose to accept Employment Practices Liability coverage but request the following aggregate limit and deductible combination. **If you so choose, please complete Section B below and sign & date.**

Liability Limit & Deductible

- \$25,000 \$2,500
 \$25,000 \$5,000
 \$50,000 \$2,500

Liability Limit & Deductible

- \$50,000 \$5,000
 \$75,000 \$5,000
 \$100,000 \$10,000

Liability Limit & Deductible

- \$100,000 \$25,000
 \$250,000 \$10,000
 \$250,000 \$25,000

- I choose to decline Employment Practices Liability coverage. **If you so choose, please sign and date below.**

B. Underwriting Information

1. Maximum Total Number of Employees existing at any one point in time with respect to past, present, or prospective calendar year (Do not include Volunteer Workers, Leased Employees, or Independent Contractors.).

Maximum Total Number of Full-Time Employees
 Maximum Total Number of Part-Time Employees

Maximum Total Number of Seasonal Employees
 Maximum Total Number of Temporary Employees

- 2a. Is your headquarters, primary location or mailing address in the State of California? Yes No
- 2b. Do you have any offices, branches, facilities, plants, or similar business property with employees located in the State of California? Yes No
If the answer to 2.a. or 2.b. above is 'yes', Employment Practices Liability Coverage may not be provided.
3. Do you use an employment application during your hiring process? Yes No
4. Do you utilize an employment handbook, manual, website, or written employment materials (such as written anti-harassment or discrimination policies) to advise employees of their rights and the procedures they should follow in the event of harassment or discrimination? Yes No
5. Have you had any office, branch, facility, or plant closings, consolidations, mergers, lay-offs, staff reductions, or involuntary terminations involving more than 5 employees in the past 24 months? Yes No
6. Do you anticipate any office, branch, facility, or plant closings, consolidations, mergers, lay-offs, staff reductions, or involuntary terminations involving more than 5 employees in the next 12 months? Yes No
7. Have you had, or are you aware, of any present or past employment-related claims, lawsuits, grievances, EEOC or other administrative proceedings alleging any acts of harassment, discrimination, or wrongful termination against you, your employees, your officers, or your business? Yes No
8. Is your business a subsidiary of another company? Yes No
9. Do you currently have Employment Practices Liability Insurance Coverage? Yes No
 If 'yes', what is your policy's Retroactive Date?
10. Have you ever had Employment Practices Liability Insurance Coverage cancelled or non-renewed by any insurer? Yes No

I certify that I have read the information both above and on the reverse side of this form and my signature reflects my understanding and decision as to Employment Practices Liability Coverage.

Signature of Applicant / Named Insured or Authorized Representative

Date

**THIS FORM IS NOT A PART OF YOUR POLICY AND DOES NOT PROVIDE COVERAGE.
 READ THIS FORM COMPLETELY BEFORE SIGNING THE REVERSE SIDE.**

Employment Practices Liability Coverage

Employment Practices Liability Coverage (also known as "Employment-Related Practices Liability Coverage" or "EPL Coverage") has been / will be included in your Penn Millers Insurance Company ("Penn Millers") insurance policy.

Your new business policy / policy quotation (if you are a prospective policyholder or applicant) or renewal policy (if you are an existing Penn Millers policyholder), now includes important coverage protecting your business from a wide range of employment-related liability claims (such as wrongful termination, wrongful failure to employ or promote, wrongful discipline, discrimination and harassment, including sexual harassment) and related defense costs brought by present and former employees, as well as applicants for employment. It is important to note that standard liability insurance does not provide coverage for employment-related losses, claims or suits.

Limits, Deductibles and Other Services

Your policy has been amended to now provide Employment Practices Liability Coverage with an aggregate EPL Limit of Liability of \$100,000 and a Deductible of \$5,000. Other limits and deductible options are available.

Penn Millers will also be offering to those policyholders who choose to accept Employment Practices Liability Coverage access to a loss prevention website with model employment policies and procedures, information about various employment-related laws, and advice to help employers prevent or minimize employee complaints.

Claims-Made Provisions

Penn Millers' Employment Practices Liability Coverage provides coverage on a claims-made and reported basis. This means that coverage is limited to liability for only those claims or suits that are first made against you during the "EPL Coverage Period" (as defined in the EPL Coverage Form), or during any Extended Reporting Period that may apply, and reported in writing to Penn Millers per the stated terms and provisions.

Defense Costs

Payment of amounts incurred for defense costs is included in the applicable Limit of Liability and will be applied against the Deductible.

This means that the Limit of Liability available to pay judgments or settlements under Employment Practices Liability Coverage will be reduced, and may even be completely exhausted, by the amounts incurred for defense costs. The applicable Deductible amount may be similarly reduced or exhausted by such incurred defense cost amounts.

In the event that the Aggregate EPL Limit of Liability applicable to Employment Practices Liability Coverage becomes exhausted by the payment of judgments, settlements, and/or defense costs, Penn Millers duty to defend and/or to make payment of any claim or suit under the insurance provided by Employment Practices Liability Coverage will end.

What You Need To Do – Acceptance or Declination

You should read your policy and review your policy Declarations carefully for complete information on the Employment Practices Liability Coverage now included with your policy. After doing so, on the reverse side of this form you now will need to choose one of three options, sign and date your decision, and return the executed form to Penn Millers. You may wish to keep a copy of your decision for your records. These options include:

- Accept Employment Practices Liability Coverage at the default limit of \$100,000 and \$5,000 deductible;
- Accept Employment Practices Liability Coverage at other limits; or
- Decline Employment Practices Liability Coverage in its entirety.

The choices you make on this form will determine the coverages that apply to all insureds under your policy. Whatever choice you make will apply to all subsequent renewals of this policy unless you request otherwise in writing. If this is new insurance and you do not sign and return this form, you will be deemed to have decided to decline this important coverage. If this is a renewal of existing insurance with Penn Millers and you do not sign and return this form, but you do pay the associated premium amount for this coverage, this coverage will be cancelled at the next policy renewal date unless a completed and signed copy of this form is received at least 60 days prior to the end of this policy period. If a completed and signed copy of this form is not received within the allotted time period, EPL Coverage will be deleted from your insurance policy.

**Chubb Agribusiness
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