

# HUB International Universal Not For Profit Management Liability Application – New Business

## I. GENERAL INFORMATION

Name of **Applicant**: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**Applicant** Web Site: \_\_\_\_\_

## II. GENERAL RISK INFORMATION

1. Years of Operation: \_\_\_\_\_

2. Nature of the **Applicant's** business: \_\_\_\_\_

3. Does the **Applicant** now have tax exempt status under the United States Internal Revenue Code? ☐ Yes ☐ No

If "Yes", what is the tax exempt code: \_\_\_\_\_

4. Is there now, or has there been, any dispute as to the **Applicant's** tax exempt status? ☐ Yes ☐ No

If "Yes", please explain: \_\_\_\_\_

5. Does the **Applicant** have any subsidiaries or control any other entity or organization for which coverage is requested? ☐ Yes ☐ No

If "Yes", please complete the following.

Subsidiary or Organization Name	Nature of Business	Not For Profit?	Total Assets	Is coverage requested for this entity under this Policy?
		<input type="checkbox"/> Yes, IRSC:	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes, IRSC:	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No

6. Has the **Applicant** completed in the last 12 months or is the **Applicant** contemplating:

(a) any actual or proposed merger, acquisition, or divestment? ☐ Yes ☐ No

(b) any creation of a new organization, subsidiary, or division? ☐ Yes ☐ No

(c) any reorganization or arrangement with creditors under federal or state law? ☐ Yes ☐ No

(d) branch, location, facility, office, or subsidiary closings, consolidations, layoffs, or reductions in workforce? ☐ Yes ☐ No

If the **Applicant** answered "Yes" to any part of Question 6, please attach an explanation.

7. Does the **Applicant** perform any of the following services: (If "Yes", please attach an explanation)

(a) Engage in or sponsor product or service research, standards development, experimentation, safety of performance testing? ☐ Yes ☐ No

(b) Negotiate labor contracts or provide arbitration services? ☐ Yes ☐ No

(c) Conduct professional ethics, peer review, or accreditation activities? ☐ Yes ☐ No

(d) Certify, endorse, or license members or members' products/services? ☐ Yes ☐ No

(e) Promote, sponsor, or provide any form of insurance to its members or non-members? ☐ Yes ☐ No

(f) Sponsor or operate a political action committee? ☐ Yes ☐ No

(g) Provide a referral service, legal aid service, or computer service to its members or non-members? ☐ Yes ☐ No

(h) Promote or sponsor any type of group travel, convention, parade, or other similar event, or assume liability in connection therewith? ☐ Yes ☐ No

(i) Provide administrative or management services for any other entity(ies)? ☐ Yes ☐ No

(j) Publishing, other than a newsletter? ☐ Yes ☐ No

8. Is the **Applicant** managed or administered by any third party under contract or agreement? ☐ Yes ☐ No

If "Yes", please explain: \_\_\_\_\_

## HUB International Universal Not For Profit Management Liability Application – New Business

9. Does the **Applicant** currently carry General Liability Insurance?

☐ Yes ☐ No

10. If applicable, please indicate: Number of Chapters \_\_\_\_\_ Number of Members \_\_\_\_\_ ☐ N/A

### III. FINANCIAL INFORMATION

1. Please provide the following information for the **Applicant's** most recent, and previous, fiscal year-end

	Month _____ Year _____	Month _____ Year _____
Total Assets	\$ _____	\$ _____
Long Term Debt	\$ _____	\$ _____
Net Assets/Net Equity	\$ _____	\$ _____
Revenues	\$ _____	\$ _____
Net Income	\$ _____	\$ _____

**IV. EMPLOYMENT PRACTICES LIABILITY INFORMATION**

1. Total number of employees (include full and part time, leased, seasonal and temporary) \_\_\_\_\_

2. Total number of employees outside the U.S. (include full and part time, leased, seasonal and temporary) \_\_\_\_\_

3. Total number of locations \_\_\_\_\_

4. Complete the following chart:

As of Date of Application		Previous 12 Months		As of Date of Application	
Full Time Employees	Part Time Employees	Full Time Employees	Part Time Employees	Volunteers	Independent Contractors

5. Complete the following chart with the maximum number of employees at any one point during the previous 12 months for the following classifications (regardless of whether they are full or part time):

Leased	Temporary	Seasonal	Union

6. Indicate the total number of employees for each of the **five states or countries** with the greatest number of **Applicant** employees:

State or Foreign location 1: \_\_\_\_\_

State or Foreign location 2: \_\_\_\_\_

State or Foreign location 3: \_\_\_\_\_

State or Foreign location 4: \_\_\_\_\_

State or Foreign location 5: \_\_\_\_\_

7. Please provide the **Applicant's** voluntary, and involuntary, terminations and percentage rate in the past 36 months:

Number of Terminations	Year – 20_____	Year – 20_____	Year – 20_____
Voluntary			
Involuntary (exclude layoffs/downsizing)			
Layoffs/Downsizing			

8. Salary Ranges

Employee Salary Range	Number of Employees
Less than \$50,000	
Over \$100,000	

9. Within the past 24 months, how many officers have been involuntarily terminated or laid off? \_\_\_\_\_

10. Prior to employee terminations does the **Applicant** consult with:

(a) Human Resources personnel?

☐ Yes ☐ No

(b) an attorney with experience in employment law?

☐ Yes ☐ No11. Does the **Applicant** provide severance packages to terminated or laid off employees?☐ Yes ☐ NoIf "Yes", does the severance agreement include a waiver or release of an employee's rights to bring claim against the **Applicant**?☐ Yes ☐ No

HUB International Universal Not For Profit Management Liability Application – New Business

12. Are all prospective employees required to complete a uniform employment application prior to hire? ☐ Yes ☐ No

13. Does the **Applicant** have written procedures in place regarding:

- |  |  |
|--|--|
| (a) Equal Opportunity Employment                               | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (b) Anti-Discrimination  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (c) Anti-Sexual Harassment                                     | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (d) Employment at Will   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (e) FMLA   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (f) Reporting, investigating and resolving employee complaints | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (g) ADA accommodations   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (h) Retaliation  | <input type="checkbox"/> Yes <input type="checkbox"/> No |

14. Has any person or entity proposed for this insurance been a party to any claim which would have fallen within the scope of this coverage including but not limited to employment-related claims, criminal actions, administrative or regulatory proceedings, charges, hearings, demands or lawsuits during the past three years, whether or not insured?

☐ Yes ☐ No

If "Yes", please attach, a full description of the details including date, type of claim, allegations, current status, defense costs incurred and any judgement or settlement amounts.

**V. FIDUCIARY LIABILITY COVERAGE INFORMATION****1. Plan Information**

- (a) In the table below, please list the names and types of **Applicant's** employee benefit plan(s). Attach additional pages if needed. NOTE: If the **Applicant** has an ESOP, please complete the Supplemental ESOP Application.

Plan Names (Do not include health & welfare plans)	Plan Assets (Current Year)	Type of Plan*	DB Plan Only – What is the current funded % under the Pension Protection Act? Indicate if “at risk”	Number of Plan Participants

Types: \*Defined Contribution (DC), Defined Benefit (DB), Employee Stock Ownership (ESOP), Excess Benefit, or Top Hat (EBP)

- (b) Does the **Applicant** handle any investment decisions in-house? ☐ Yes ☐ No

If “Yes”, please describe \_\_\_\_\_

- (c) Are any plans NOT in compliance with plan agreements or ERISA? ☐ Yes ☐ No

If “Yes”, please describe \_\_\_\_\_

- (d) In the next 12 months is the **Applicant** contemplating (or has the **Applicant** completed within the last 12 months) a merger, freezing, terminating or converting any DB plan to cash balance? ☐ Yes ☐ No

If the **Applicant** answered “Yes” to Question 1 (d), please attach a full description of the details including transaction date, status of asset distribution, whether there was any reduction in benefits, communication sent to plan participants, and name of insurance carrier if terminated plan benefits are secured by insurance.

- (e) Has the **Applicant** been subject to an investigation by the DOL, IRS or similar regulatory body in the last three years? ☐ Yes ☐ No

**2. Past Activities**

- (a) In the past three years has the **Applicant** merged, terminated or frozen any plan(s)? ☐ Yes ☐ No

If “Yes”, please attach details including transaction date, status of asset distribution, whether similar benefits are being offered, and name of insurance carrier if terminated plan benefits are secured by insurance.

- (b) Has any Fiduciary been:

(i) accused, found guilty or held liable for a breach of trust? ☐ Yes ☐ No

(ii) convicted of criminal conduct? ☐ Yes ☐ No

- (c) Has there been any assessment of fees, fines or penalties under any voluntary compliance resolution program or similar voluntary settlement program administered by the IRS, DOL or other government authority against any plan? ☐ Yes ☐ No

- (d) Have any claims (other than for benefits under 29 C.F.R. § 2560.503-1(h) or similar procedures pursuant to applicable law) been made during the past five years against:

(i) any **Applicant**; ☐ Yes ☐ No

(ii) any benefit program; or ☐ Yes ☐ No

(iii) any past or present individual in his or her capacity as a fiduciary of any employee benefit plan? ☐ Yes ☐ No

If the **Applicant** answered “Yes” to any part of Question 7, please attach a full description of the details including date, type of claim, allegations, current status, defense costs incurred and any judgement or settlement amounts.

**VI. CRIME COVERAGE INFORMATION**

1. Number of U.S. Locations \_\_\_\_\_ Outside U.S. Locations \_\_\_\_\_

List Countries where employees are located and the number: \_\_\_\_\_

2. Indicate the total amount of specified property *INSIDE* the premises for all locations combined:

- (a) Cash \_\_\_\_\_  
 (b) Retail Checks \_\_\_\_\_  
 (c) Credit Card Receipts \_\_\_\_\_

Indicate the total amount of specified property being transported by a messenger *OUTSIDE* the premises:

- (a) Cash \_\_\_\_\_  
 (b) Retail Checks \_\_\_\_\_  
 (c) Credit Card Receipts \_\_\_\_\_

3. Is there an internal audit department? ☐ Yes ☐ No

4. Internal Controls

(a) Does the **Applicant** allow the employees who reconcile the monthly bank statements to also sign checks or handle deposits? ☐ Yes ☐ No  
 If "Yes", please explain: \_\_\_\_\_

(b) If a CPA letter to management has been issued, has management complied with all recommendations to address weaknesses? ☐ No letter issued; or ☐ Yes ☐ No  
 If "No", please attach an explanation.

(c) Does the **Applicant** perform pre-employment reference and background checks for all its potential employees? ☐ Yes ☐ No  
 If "No", please explain: \_\_\_\_\_

(d) Does the **Applicant** perform criminal and credit history checks on all finance employees? ☐ Yes ☐ No

(e) Do the **Applicant's** external audits include all of its locations, subsidiaries, and joint ventures? ☐ Yes ☐ No  
 If "No", please explain: \_\_\_\_\_

(f) Have computer access controls been implemented that include the following: (check all that apply)

- (i) Passwords are required to be alpha/numeric and 6-9 characters in length ☐  
 (ii) User ID's are revoked immediately upon termination of employment ☐  
 (iii) None of the above ☐

(g) Does the company require that all employees verify, via a telephone call to an established contact at the original source, that any change to delivery or wire instructions is legitimate? ☐ Yes ☐ No

(h) Please confirm that a second employee's signoff is required for all changes to delivery or wire transfer instructions, and that the appropriate documentation is obtained. ☐ Yes ☐ No  
 If "No", please explain: \_\_\_\_\_

(i) Are international and domestic purchasing, inventory and payable procedures and controls consistent? ☐ Yes ☐ No  
 If "No", please explain: \_\_\_\_\_

5. If applicable to the **Applicant's** business, please answer Questions 5(a) – 5(d)

(a) How often does the **Applicant** perform a physical inventory check of stock and equipment? \_\_\_\_\_

## HUB International Universal Not For Profit Management Liability Application – New Business

(b) Who performs these reconciliations? \_\_\_\_\_

(c) Does the **Applicant** conduct perpetual inventory of stock, including raw materials, manufactured or purchased goods/scrap maintained? ☐ Yes ☐ No

(d) Does the **Applicant** use precious metal, gemstone or other high value items in the course of its business? ☐ Yes ☐ No  
If "Yes", please complete a Precious Metals Supplementary Application.

### 6. Does the **Applicant**:

(a) Maintain a list of authorized vendors? ☐ Yes ☐ No

(b) Have a procedure in place to verify the existence and ownership of new vendors prior to adding them to the authorized master vendor list? ☐ Yes ☐ No

(c) Allow the same individual who verifies the existence of vendors to also have the authority to edit the authorized master vendor list? ☐ Yes ☐ No

(d) Verify invoices against a corresponding purchase order, receiving report and the authorized master vendor list prior to issuing payment? ☐ Yes ☐ No

(e) Strictly comply with dual recorded authorization for all outgoing electronic funds transfers? ☐ Yes ☐ No

### 7. Independent Contractors

(a) Number of Independent contractors (natural person only): \_\_\_\_\_

(b) Are reference and background checks performed for independent contractors? ☐ Yes ☐ No  
If "No", please explain: \_\_\_\_\_

(c) Do independent contractors have custody or control over funds, accounts or property of the **Applicant**? ☐ Yes ☐ No  
If "Yes", please explain: \_\_\_\_\_

(d) Are independent contractors subject to the same internal control procedures that apply to the **Applicant's** employees? ☐ Yes ☐ No  
If "No", please explain: \_\_\_\_\_

### 8. Client Services

(a) Please describe the services the **Applicant** provides for clients: \_\_\_\_\_

(b) Does the **Applicant** have custody or control over any funds, accounts, or materials of any of its clients? ☐ Yes ☐ No  
If "Yes", please describe: \_\_\_\_\_

### 9. Past Activities

Please attach a list of all employee theft, forgery, computer fraud or other crime losses discovered by the **Applicant** in the last five years, itemizing each loss separately. Include date of loss, description and total amount of loss; or indicate NONE ☐.

**VII. CURRENT INSURANCE INFORMATION**

Liability Coverage	Requested Limit	Requested Retention	Coverage Currently Purchased	Expiring Limit	Expiring Retention	Prior & Pending Litigation Date
Not-For-Profit Organization Director and Officers	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	\$	
Employment Practices	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	\$	
Fiduciary	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	\$	
Crime	\$	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	\$	

Expiring Insurer: \_\_\_\_\_ Expiring Premium: \_\_\_\_\_

**VIII. WARRANTY: PRIOR KNOWLEDGE OF FACTS/CIRCUMSTANCES/SITUATIONS**

1. No person or entity proposed for coverage is aware of any fact, circumstance, or situation which he or she has reason to suppose might give rise to any claim that would fall within the scope of the proposed Liability Coverage Part(s):

NONE ☐ or, except \_\_\_\_\_

Without prejudice to any other rights and remedies of the Company, the Applicant understands and agrees that if any such fact, circumstance, or situation exists, whether or not disclosed in response to Question 1. above, any claim or action arising from such fact, circumstance, or situation is excluded from coverage under the proposed policy, if issued by the Company.

**IX. DECLARATIONS, FRAUD WARNINGS AND SIGNATURES**

The **Applicant's** submission of this New Business Application does not obligate the Company to issue, or the **Applicant** to purchase, a policy. The **Applicant** will be advised if the Application for coverage is accepted. The **Applicant** hereby authorizes the Company to make any inquiry in connection with this Application.

The undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance declare that to the best of their knowledge and belief, after reasonable inquiry, the statements made in this Application and in any attachments or other documents submitted with this Application are true and complete. The undersigned agree that this Application and such attachments and other documents shall be the basis of the insurance policy should a policy providing the requested coverage be issued; that all such materials shall be deemed to be attached to and shall form a part of any such policy; and that the Company will have relied on all such materials in issuing any such policy.

The information requested in this New Business Application is for underwriting purposes only and does not constitute notice to the Company under any policy of a Claim or potential Claim.

**SIGNATURE OF APPLICANT'S AUTHORIZED REPRESENTATIVE**

\_\_\_\_\_  
Date Signature\* Title

\*This New Business Application must be signed by the Chief Executive Officer, President, or Executive Director of the **Applicant's** parent organization acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance.