

McDonald's Employment Practices Insurance Program APPLICATION

NOTE: THE POLICY FOR WHICH THIS APPLICATION IS MADE, IS A CLAIMS MADE AND REPORTED POLICY SUBJECT TO ITS TERMS. THIS POLICY APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF APPLICABLE, PROVIDED SUCH CLAIM IS REPORTED IN WRITING TO THE INSURER AS SOON AS PRACTICABLE. WITHOUT NEGATING THE FOREGOING REQUIREMENTS, SUCH NOTICE OF CLAIM MUST ALSO BE REPORTED NO LATER THAN 60 DAYS AFTER THE END OF THE POLICY PERIOD OR, IF APPLICABLE, THE EXTENDED REPORTING PERIOD. AMOUNTS INCURRED AS DEFENSE COSTS SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTIONS. THE APPLICATION FORM AND ATTACHMENTS ARE HEREBY ATTACHED AND MADE A PART OF THIS POLICY. THE INSURER IS NOT OBLIGATED TO PAY ANY LOSS AFTER THE LIMIT OF LIABILITY HAS BEEN EXHAUSTED BY PAYMENT OF LOSS.

I. General Information:

- A. Name of Applicant: _____
- B. Business Entity Name: _____
- C. Mailing Address: _____
- D. Human Resources Contact Name: _____
- E. HR Contact e-mail & phone number: _____

II. Do you currently carry EPLI coverage? Yes No

Current Coverage Details:

Limit _____ Retention _____ Premium _____ Carrier _____

III. Loss History

- A. Have you had any past Employment Practices Liability claims (by employees or Third Parties)? Yes No
 If Yes, please attach a description and details of all claims.
- B. Are you aware of any facts, incidents, or circumstances which may result in a claim against you? Yes No

PLEASE PROVIDE A FULL DESCRIPTION OF ANY CIRCUMSTANCE ON A SEPARATE SHEET.

For example, but not by way of limitation, we consider it reasonable for you to foresee that a claim may be brought against you if a current or former employee or an applicant for employment has expressed dissatisfaction with the employment relationship or the employment application process by:

- i) Making a formal complaint to a supervisory employee of discrimination, harassment or other unfair employment practices;*
- ii) Threatening to hire an attorney*
- iii) Asking for a severance package in excess of what is being offered,*
- iv) Complaining of discrimination harassment or unfair treatment and threatening to do something about it; or*

The Applicant acknowledges that any claims or incidents reported in, or that should have been reported in, this Section III will be excluded from coverage if excluded in the policy, if one is issued.

IV. Human Resources – Franchise Compliance with Franchisor HR guidelines

A. Do you follow the rules and procedures promulgated by the Franchisor regarding personnel and human resource policies and procedures? Yes No

B. Have you been cited by Franchisor for any violation HR policies and procedures? Yes No

If Yes, please attach documentation of violation and response as well as copies of the applicable rules and procedures in Question A. above.

V. Third Party Section

A. Does the Applicant’s public facilities have access for the disabled in compliance with applicable federal, state and local laws regarding accommodations for the disabled? Yes No

THE UNDERSIGNED IS AUTHORIZED BY THE APPLICANT AND DECLARES THAT THE STATEMENTS SET FORTH HEREIN ARE TRUE. THE UNDERSIGNED AGREES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE EFFECTIVE DATE OF THE INSURANCE, HE/SHE WILL, IN ORDER FOR THE INFORMATION TO BE ACCURATE ON THE EFFECTIVE DATE OF THE INSURANCE, IMMEDIATELY NOTIFY THE INSURER OF SUCH CHANGES, AND THE INSURER MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS OR AUTHORIZATIONS OR AGREEMENTS TO BIND THE INSURANCE.

SIGNING OF THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE INSURER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THIS APPLICATION SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IT WILL BECOME PART OF THE POLICY.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF. THIS APPLICATION IS ATTACHED TO THE POLICY AT THE TIME OF ITS DELIVERY. PROVIDED, HOWEVER, THIS PARAGRAPH DOES NOT APPLY IN THE STATE OF UTAH.

Signed: _____
Must be signed by Applicant’s CEO, President or other Executive authorized to bind the Insureds

Printed Name & Title: _____

Date: _____

WARNING

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT (S)HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

Location and Employee Information Schedule EW001

Instructions: List all locations to be covered by the policy for which you are applying:

	Franchise Type	Store #	Entity Name and Address	Number of Employees	
				Full Time	Part Time
1	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
2	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
3	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
4	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
5	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
6	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
7	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
8	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
9	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
10	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
11	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
12	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
13	<input type="checkbox"/> Freestanding Store <input type="checkbox"/> Non-Standard Unit				
			Totals		

NOTE TO UTAH RESIDENTS: ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION ARE MADE A PART HEREOF PROVIDED THIS APPLICATION IS ATTACHED TO THE POLICY AT THE TIME OF ITS DELIVERY.

WARNING

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT (S)HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

NOTICE TO FLORIDA APPLICANTS: “ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY IN THE THIRD DEGREE.”

NOTICE TO KENTUCKY APPLICANTS: “ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING OR STATEMENT OF CLAIMS CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.”

NOTICE TO NEW JERSEY APPLICANTS: “ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.”

NOTICE TO OREGON APPLICANTS: “ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO MAY BE GUILTY OF INSURANCE FRAUD WHICH MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES, INCLUDING BUT NOT LIMITED TO FINES, DENIAL OF INSURANCE BENEFITS, CIVIL DAMAGES, CRIMINAL PROSECUTION AND CONFINEMENT IN STATE PRISONS.”

NOTICE TO WASHINGTON APPLICANTS: “IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.”

McDonald's 2012 Franchise Restaurant Program Supplemental Application

- 1. Employee Privacy Coverage (NEW Coverage) - Coverage is included for no additional premium - you must qualify.**
1. Do you restrict employee access to employees' personal information such as social security numbers, account information and health care information? Yes No
2. Are you aware of any actual or alleged fact, circumstance, situation, error or omission or issue which might give rise to a claim against you for invasion or interference with rights of privacy, wrongful disclosure or personal information, or which might otherwise result in a claim against you with regard to the privacy insurance sought? **If YES**, please attach details. Yes No
- 2. Wage & Hour Coverage:** You must **qualify** for this coverage.
- Choose one of the options below:**
- I would like the \$150,000 wage & hour defense only sub-limit – no additional premium: Yes No
- I would like the \$250,000 wage & hour defense only sub-limit – a 10% additional premium applies: Yes No
1. Does the applicant utilize an electronic time-keeping system? Yes No
- If Yes:**
- a) If an hourly (non-exempt) employee clocks in before their shift starts or before their rest or meal period ends, are they paid for this time? Yes No
- b) Other than the store manager (or *if applicable*, the director of operations or area supervisor), is anyone else able to amend an employee's time record? Yes No
- c) If an employee's time records are amended, is the employee required to initial or sign off on the change? Yes No
2. For owner-operators with more than one location, do you have policies and procedures in place to properly track hourly (non-exempt) employees working at multiple owned-operated locations, to make certain that proper overtime wages are being paid no matter which location they are working? If you own/operate no more than one (1) location, check "Not Applicable". Yes No
 Not applicable
3. Are hourly (non-exempt) employees paid for time that they are required to be on the applicant's premises at the applicant's direction (e.g. attending training or a non-work day meeting) or traveling at the applicant's direction (e.g. attending training or making a pick-up/drop-off) ? Yes No
4. Have any of the following been made against the applicant or any entity or person proposed for this insurance for the past five (5) years, alleging violation of or investigating compliance with any swage and hour and/or overtime law, including but not limited to Fair Labor Standards Act, the California Labor Code, or any state or local wage and hour laws or regulations?: losses, lawsuits, hearings, demands, administrative proceedings, including audits, investigations, or review by the Department of Labor or similar state agencies including but not limited to the California Department of Industrial Relations? Yes No
- If Yes**, Please provide attach details on a separate sheet.
- 3. Immigration Coverage:**
- Immigration Defense Only Sub-Limit of \$150,000 included for no additional premium. You must qualify.**
1. Do all your employees complete an I-9 form within 72 hours of when they actually start work? Yes No
2. Do you keep the I-9 forms for three (3) years from the date of hire and one (1) year after the date of employment ends, whichever is latest? Yes No
3. Is it your policy that an employee's original work eligibility documents are inspected? Yes No
4. When you receive "no match" letter from the Social Security Administration, do you notify the impacted applicant and give them at least 90 days to correct the issue? Yes No
5. Have any losses, lawsuits, administrative proceedings, government investigations, hearings or demands been made against the applicant or any entity person proposed for this insurance during the past five (5) years alleging violations of the **Immigration Reform Control Act of 1986**, or other similar federal, state or local laws or regulations? Yes No
- 4. Defense Costs Outside the Limits Coverage:**
- Add Defense Costs Outside the Limits coverage (matching the per claim limit purchased, up to a maximum of \$1,000,000) for 12.5% additional premium –** Yes No

5. 5Star HELPLINE Risk Management Program:

In order to use the free 5Star HELPLINE, please complete the contact information below for the person who will use this Risk Management/Human Recourse program:

Loss Control/HR Contact Name: _____ Title: _____
Phone: _____ Fax: _____ E-mail: _____

I understand and acknowledge that the information provided in this form is true, accurate and complete and becomes part of my application and is subject to the same representations and conditions.

Owner/Operator Name

Company Name

Date

Applicant's Authorized Signature of a Principal Partner/Owner or Officer

Title

The Applicant warrants after full investigation and inquiry that the statements set forth herein are true and include all material information. The Applicant on behalf of the Proposed Insureds further warrants that if the information supplied on this application changes between the date of this application and the inception date of the policy, the Applicant will immediately notify us of such change. Signing of this application does not bind us to offer, or the Applicant to accept, insurance, but it is agreed that this application shall be the basis of the insurance and will be attached and made a part of the Policy, should a policy be issued.

Kentucky Applicants:

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