

StaffPAK

*Preferred Insurance Partner for the
Staffing and PEO Industries*

APPLICATION

MANAGED BY:

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U.S. Risk, Inc.

ACCESS THE EXPERTS

formerly Lighthouse Underwriters, LLC



Submission Requirements: Please check all that have been included:

- Completed StaffPak application
- Completed Acord Property application and a signed statement of values if agreed amount and/or blanket coverage is desired.
- Copy of the insured's staffing services (contract) agreement
- Copy of the insured's PEO/ASO client services agreement.
- Current financials – balance sheet & income statement
- Currently valued four year loss run
- WC classifications and payrolls (by client company if PEO)

Part I- Who Are You?

A.

First Named Insured:		
Street Address:	P.O. Box:	County:
City, State, Zip Code:	Coverage effective dates From: To:	
Location Name and Address:	Additional Named Insureds:	
Federal ID Number:		
Number of years this facility has been: Operating: _____ Owned by present owners: _____ Managed by Present Management: _____		
Phone Number:	Website:	
Fax Number:		
Risk Management Contact:	Risk Mgt Email:	

- B. We are a (check one):**
- | | | |
|--|--------------------------------------|---|
| <input type="checkbox"/> Sole Proprietor | <input type="checkbox"/> Corporation | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Joint Venture | <input type="checkbox"/> LLC | <input type="checkbox"/> Other (Please specify) |

- C.** Do you have branch locations? (If YES, please list them separately) YES NO
- D.** Have you acquired or sold any operations in the last five years? (If YES, please list them separately) YES NO
- E.** Are you a franchisor or franchisee? (If YES, please explain in an attachment) YES NO
- F.** Has an accountant in the previous two (2) fiscal years recommended a “going concern” opinion of you financial information? (If Yes, please provide details separately) YES NO
- G.** Are you WRC Certified (Workers Compensation Risk Certified) YES NO

H. Please provide a brief description of your business:

I. Regarding services you perform for your customers, please check all of the following which apply:

- Hiring/ Firing HR Training Safety Training
- Payroll Health Benefits Benefit Administration
- Workers Compensation Other Insurance Claims Administration
- Retirement Plans Other (please describe) _____

J. Please provide revenues and payroll: (*Projected through the end of your fiscal year)

	*Current Fiscal Year	Last Fiscal Year	Prior Fiscal Year
Permanent Placement Revenue			
Temp Placement Revenue			
Your Corporate Employees Payroll			
Total Temp Payroll - Staffing			
Total Worksite Payroll - PEO			

K. Annual temp billable hours: _____

L. Total square footage of the owned, rented or leased office space from which you conduct your PEO business? _____

M. Total number of **corporate** “in house” staff: Full Time _____ Part Time _____

N. Please list your five largest clients by revenue, their industry and the number of employees assigned:

Name	Revenue	Industry	Services Provided	Number of Employees

Part II- Your Staff & Your Contracts

A. Please List the **Professional Designations** Carried by those staff providing staffing services:

B. Are you a member of the following associations:

- American Staffing Association YES NO
- NAPEO YES NO
- Staffing Industry Analysts YES NO
- Various state associations or others YES NO

Please list: _____

C. What is the average number of years that the owners have been involved in the staffing industry? _____

D. Has an owner ever been the subject of a disciplinary action? (If yes, please provide details) YES NO

Does any director, officer, employee or partner of the applicant have knowledge or information which might reasonably give rise to a liability claim? YES NO

Has the applicant been a party to a lawsuit in the past 5 years? (If yes, please provide details) YES NO

E. Contracts – **Staffing Services Agreement for Temp Staffing**

Are written contracts always used to govern services provided? (If so, please attach a copy. If not, why not?) YES NO

Are all contract fees negotiated and agreed to in advance of services provided? YES NO

Are all contracts provided by customers reviewed by competent legal counsel prior to execution? YES NO

Are all contract modifications agreed to in writing? YES NO

Do all contracts make direction and control of the placed worker the responsibility of the customer? YES NO

Do all contracts contain a hold harmless agreement? YES NO

- Is the hold harmless agreement in your favor or at least mutual? YES NO
- Do you ever sign contracts that assume liability for the negligence of another party? YES NO
- Do any of the temporary placements have sign-off authority or render formal opinions? YES NO
- Do your customers direct, control and supervise the actions of your placed temps? YES NO

F. Contracts – For PEOs (CSA = client service agreement) (CC = client company)

- Does your CSA obligate you to assume responsibility for employment practices liability? YES NO
- If you answered “yes” immediately above, does the CSA ever require you to carry EPLI? YES NO
- Are you required by the CSA to name the CC as a named insured on the EPLI? YES NO
- Does your CSA always require the CC to carry; GL, Auto & Professional Liability? YES NO
- Does your CSA always require the CC to name you as additional insured on their GL & Auto? YES NO

Part III- Prior Insurance

A. Please provide details of coverage currently maintained, if none, then please state

Coverage	Period	Carrier	Limit	Deductible	Premium	Retro Date
General Liability <i>Claims Made</i> <input type="checkbox"/> <i>Occurrence</i> <input type="checkbox"/>						
Professional Liability <i>Claims Made</i> <input type="checkbox"/> <i>Occurrence</i> <input type="checkbox"/>						
Hired and Non-owned Auto						
Excess						
EPL						
Property						

B. Has your insurance been non-renewed or cancelled by an insurer?

- YES NO

If YES, Please provide the reason why _____

Part IV- Crime

A. Check the desired coverage:

- Employee Theft Money Orders & Counterfeit Paper Money Third Party Theft (client property)

- Credit Card Forgery Funds Transfer Fraud Unauthorized Reproduction of Software by Employees
- Forgery & Alteration (including Time Card) Computer Fraud Destruction of Electronic Data or Programs

B. Check the desired limit of liability:

- \$25,000 \$50,000 \$100,000 \$250,000 \$500,000 \$1,000,000

C. Check the desired deductible option:

- \$1,000 \$2,500 \$5,000 \$10,000 \$25,000 \$50,000

D. Please provide the number of corporate staff providing the following:

Accounting _____ Bookkeeping _____ Computer Programmers _____
 Sales People _____ Comptroller & Asst. Comptroller _____

E. Total Number of Officers: _____

F. Total Number of Corporate Credit Card Holders _____

G. CPA audit performed? YES NO

H. Audit Frequency (check one):

- Annual Quarterly Semi Annual

I. Audit Report provided to (check all that apply):

- Owner Partners Board

J. Bank Information:

Are bank accounts reconciled by someone not authorized to withdraw funds from the bank? YES NO

Who is authorized to sign checks? _____

How many signatures are required? _____

Do temporary employees ever handle the client company's monies or securities? YES NO

If yes, please describe controls:

K. Has an outside auditor ever reported a material weakness in your internal controls? YES NO

If yes, please provide details:

L. Has your firm ever received an allegation involving client theft by a temporary employee YES NO

F. Do you administer pension, retirement, and/or health and welfare plans for all worksite employees? YES NO
If so, please describe the due diligence performed when selecting an investment vehicle:

Part VII – Hired and Non-Owned

A. If you are a **Staffing Firm**, please provide all the following. If you are a PEO, please skip to section B:

Do you place temp, temp to perm or contract workers in driving positions: YES No

If so, what are the total annual billable hours for placed drivers: _____

If so, what type of vehicles are they operating? _____

B. If you are a **PEO**:

Do all client companies carry at least a \$1,000,000 limit of auto liability insurance? YES NO

Do all client companies name you as an additional insured on their auto liability insurance policy? YES NO

Do you request a certificate of auto liability insurance each year? YES NO

If a client company is in the trucking, transportation or livery business do you recommend to the client company that they implement or maintain a fleet safety program? YES NO

If no, why not:

Part VIII - Property

Complete Acord Forms and a signed statement of values if agreed amount and/or blanket coverage is requested

Part IX – Excess

A. Please mark the desired limit of excess liability:

\$1,000,000 Per Occurrence/\$1,000,000 Aggregate

\$2,000,000 Per Occurrence/\$2,000,000 Aggregate

\$3,000,000 Per Occurrence/\$3,000,000 Aggregate

\$4,000,000 Per Occurrence/\$4,000,000 Aggregate

\$5,000,000 Per Occurrence/\$5,000,000 Aggregate

B. Current Workers Compensation Carrier(s):

Carrier:
Effective Date:
Policy Number:
EL Limit:
A.M. Best Rating:
EL Premium:

Part X – Employment Practices Liability Insurance

A. Limits, deductible and retro date requested:

B. Effective date requested:

C. Please provide loss history (5 years) for all discrimination, harassment and wrongful termination claims and any claims involving the Applicants employment decision to hire, fire, promote or demote, a current, former or prospective employee.

None See attached

Total number of claims in the last 5 years:

PLEASE PROVIDE A FULL DESCRIPTION OF EACH CLAIM ON A SEPARATE SHEET.

D. Has any Director, Officer, Manager, Supervisory Employee or Partner knowledge of any circumstances, at the date this Application is signed, which could reasonably give rise to a claim or any reasonable way to foresee that a claim may be brought?

YES NO

PLEASE PROVIDE A FULL DESCRIPTION OF EACH 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 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*
- v) *Frequent complaining of discrimination, harassment or unfair treatment.*

E. Has the applicant been involved in any charges, inquiries, investigations, grievance or other hearings before the Equal Employment Opportunity Commission or any other governmental agency?

YES NO

(If you answer YES, please provide details on a separate sheet)

THE APPLICANT ACKNOWLEDGES THAT ANY CLAIMS OR INCIDENTS REPORTED IN, OR THAT SHOULD HAVE BEEN REPORTED IN THIS SECTION WILL BE EXCLUDED FROM COVERAGE.

F. Do you use union employees?

YES NO

If yes, please provide the number of employees:

G. Salary ranges (including bonuses and commissions) of Corporate Staff and Temporary/ Leased/ Worksite employees:

	Number of Full Time Employees	Number of Part Time Employees	Seasonal/ Temporary	Other
\$20,000 or less:	_____	_____	_____	_____
\$20,001 to \$50,000:	_____	_____	_____	_____
\$50,001 to \$100,000:	_____	_____	_____	_____
\$100,001 to \$200,000:	_____	_____	_____	_____
\$200,001 and over	_____	_____	_____	_____

H. In the last 12 months how many **officers** have left your employ? _____

Of the above: how many left voluntarily? _____

how many left involuntarily? _____

In the last 12 months how many **other employees** have left your employ? _____

Of the above: how many left voluntarily? _____

how many left involuntarily? _____

I. If during the next 18 months, circumstances of which you are currently unaware make it necessary for you to decrease the number of your Employees by ten percent (10%) or five (5) employees, whichever is greater, through the reorganization, restructuring, reduction in force, downsizing of operations or closure of one or more plants or places of business, do you agree that you will consult with and follow the recommendation of legal counsel experienced in employment law prior to any such downsizing, reorganization, restructuring, reduction in force, change in number of Employees, or closure of one or more plants or places of business operations? YES NO

J. Human resources

1. Do you have a Human Resources Department? YES NO

If the Answer to (A) is Yes, how many employees are in the Human Resources Department? _____

If the Answer to (A) is No, who handles this function and what is their title?

2. Do you establish at-will employment relationships with **all** employees without a written employment agreement? YES NO

3. Do you require job applicants (including Client Companies) to use an employment application? If yes, please attach a copy. YES NO

4. Have your managers and/or supervisors attended training and education programs/seminars on sexual harassment within the last 12 months? YES NO

If YES, who has attended? _____

If YES, who conducts? _____

- If NO, are you willing to implement such training? YES NO
5. Do you have your employment policies/procedures reviewed by labor relations counsel annually/bi-annually? YES NO
- If NO, are you willing to do so? YES NO
6. Do you publish an employment handbook? YES NO
- If NO, are you willing to do so? YES NO
- If YES, do you distribute it to all employees (including CC employees)? YES NO
- If YES, do employees sign for receipt/acceptance (including Leased)? YES NO
7. Do you provide regular, written performance evaluations for all employees and require CC's to do this also? YES NO
8. Do you have written job descriptions for all or most job classifications and require CC's to do this also ? YES NO
9. Have you implemented anti-sexual harassment policies/procedures ? YES NO
10. Do you require all terminations to be reviewed by:
- Upper Management or owners of the CC? YES NO
- or PEO Human Resources Department? YES NO
- or its Legal Department? YES NO
- or outside counsel? YES NO
- If NO, are you willing to do so? YES NO
11. Do you maintain a personnel file for each employee? YES NO
12. Do you have any written grievance or complaint procedures (including complaints of discrimination or harassment)? YES NO
- If NO, are you willing to implement such procedures? YES NO
13. Do you regularly consult with a labor relations counsel? YES NO
- If YES, who is your labor relations counsel? _____
- How is this person/firm utilized? _____
-
14. Do you have a formal employment contract with an Employee? YES NO
- If yes, are the employment contract(s) created and reviewed by outside counsel? YES NO
- Total number of Employees with formal employment contracts: _____
- Total value of all contracts: USD _____

Total value of the largest contract:

USD _____

15. Do you utilize arbitration for employment related claims

YES NO

Is it mandatory?

YES NO

Part XI – Other Material Facts

A. Please declare any Material Facts on a separate sheet;

None See attached

A Material Fact is one likely to influence assessment of this risk, the premium charged and the terms and conditions imposed by Underwriters. If you are in any doubt as to whether a fact would be considered material you should declare it. All the information requested in this proposal is material.

NOTICE: ANY PERSON WHO, KNOWINGLY OR WITH INTENT TO DEFRAUD OR TO FACILITATE A FRAUD AGAINST ANY INSURANCE COMPANY OR OTHER PERSON, SUBMITS AN APPLICATION OR FILES A CLAIM FOR INSURANCE CONTAINING FALSE, DECEPTIVE OR MISLEADING INFORMATION MAY BE GUILTY OF INSURANCE FRAUD.

NOTICE TO ARKANSAS, LOUISIANA AND NEW MEXICO APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit, or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO COLORADO APPLICANTS: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an Insurance Company for the purpose of defrauding or attempting to defraud the Company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any Insurance Company or agent of an Insurance Company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: Warning: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

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 the 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 insurance act, which is a crime.

NOTICE TO MAINE APPLICANTS: It is a crime to provide false, incomplete or misleading information to an Insurance Company for the purpose of defrauding the Company. Penalties may include imprisonment, fines or a denial of insurance benefits.

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 NEW YORK 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, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

NOTICE TO OHIO APPLICANTS: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

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NOTICE TO PENNSYLVANIA APPLICANTS: Any person who knowingly and with the 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, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO PUERTO RICO APPLICANTS: Any person who knowingly and with the intent to defraud, presents false information in an insurance request form, or who presents, helps, or has presented a fraudulent claim for the payment of a loss or other benefit, or presents more than one claim for the same damage or loss, will incur a felony, and upon conviction will be penalized for each violation with a fine of no less than five thousand dollars (\$5,000) nor more than ten thousand dollars (\$10,000); or imprisonment for a fixed term of three (3) years, or both penalties. If aggravated circumstances prevail, the fixed established imprisonment may be increased to a maximum of five (5) years; if attenuating circumstances prevail, it may be reduced to a minimum of two (2) years.

NOTICE TO TENNESSEE, VIRGINIA AND 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.

THE APPLICANT WARRANTS AFTER FULL INVESTIGATION AND INQUIRY THAT THE STATEMENTS SET FORTH HEREIN ARE TRUE AND INCLUDE ALL MATERIAL INFORMATION. IT IS AGREED THAT IF ANY SUCH FACT, CIRCUMSTANCE OR SITUATION LISTED OR NOT LISTED IN THIS APPLICATION EXISTS, AND HAS NOT PREVIOUSLY BEEN REPORTED TO LIGHTHOUSE UNDERWRITERS, THEN ANY CLAIM BASED UPON, ARISING OUT OF OR ATTRIBUTABLE THERETO IS EXCLUDED FROM THE POLICY FOR WHICH APPLICATION IS BEING MADE. THE UNDERSIGNED BEING AUTHORIZED BY, AND ACTING ON BEHALF OF, THE APPLICANT AND ALL PERSONS OR CONCERNS SEEKING INSURANCE, HAS READ AND UNDERSTANDS THIS APPLICATION, AND DECLARES ALL STATEMENTS HEREIN TO BE TRUE, COMPLETE AND ACCURATE. THE UNDERSIGNED FURTHER DECLARES AND REPRESENTS THAT ANY OCCURRENCE OR EVENT TAKING PLACE PRIOR TO THE INCEPTION OF THE POLICY FOR WHICH APPLICATION IS MADE, WHICH MAY RENDER INACCURATE, UNTRUE OR INCOMPLETE ANY STATEMENT MADE HEREIN WILL IMMEDIATELY BE REPORTED IN WRITING TO THE INSURER. THE UNDERSIGNED ACKNOWLEDGES AND AGREES THAT THE SUBMISSION AND THE INSURER'S RECEIPT OF SUCH WRITTEN REPORT, PRIOR TO THE INCEPTION OF THE POLICY, IS A CONDITION PRECEDENT TO COVERAGE. SIGNING OF THIS APPLICATION DOES NOT BIND THE INSURER TO OFFER NOR 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.

Applicant's Authorized Signature of a Principal, Partner or Officer: _____

Title _____ Date _____

Applicant's Authorized Signature of Individual In Charge of Human Resources or Personnel

Department or Signature of 2nd Authorized Person _____

Title _____ Date _____