

**NOTICE:** The policy for which you are applying is a claims-made policy. The policy covers only claims first made against the insureds during the policy period or, if elected, the extended reporting period, subject to the policy provisions. Defense costs are applied against the applicable retentions. Defense costs reduce and may exhaust the applicable limits of liability. The insurer is not liable for any loss, which includes defense costs, in excess of the applicable limits of liability.

## Section I – General Information

- a. Name of Applicant: \_\_\_\_\_
- b. Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_
- c. State of Incorporation: \_\_\_\_\_ Date of Incorporation: \_\_\_\_\_ SIC Code: \_\_\_\_\_
- d. Website Address: \_\_\_\_\_

## Section II – Coverage Requested

Coverage Elements Requested: (Indicate with check mark)

- a. Directors & Officers Liability
- b. Employment Practices Liability
- c. Fiduciary Liability

Note: The requested coverage is not automatically provided. The terms and conditions of the policy, if issued, will determine actual coverage.

## Section III – Company Information

- a. Applicant is a: Corporation Partnership Limited Liability Company Other (Please describe.): \_\_\_\_\_
- b. Total Revenues as of current fiscal year end: \$ \_\_\_\_\_
- c. Total Assets as of current fiscal year end: \$ \_\_\_\_\_
- d. Total Employees as of current fiscal year end: \_\_\_\_\_
- e. Has there been any turnover, resignation or termination of any Executive Officers, Directors and/or key employees during the past two (2) years, for reasons other than death or retirement? If “Yes”, is the company currently in any dispute or disagreement with any such former Executive Officers, Directors and/or key employees? Yes No
- f. Is the Applicant or any of its Subsidiaries involved in any franchise agreement, joint ventures, general or limited partnerships? Yes No
- g. Has the Applicant in the past eighteen (18) months contemplated, completed or agreed to, or does it contemplate during the next twelve (12) months, any of the following, whether or not such transactions were or will be completed:
  - 1. Reorganization or arrangement with creditors under federal or state law? Yes No
  - 2. Branch, location, facility, office, or subsidiary closings, consolidations or layoffs? Yes No
  - 3. Mergers, acquisitions or divestitures? Yes No
  - 4. Registration for a public or private offering of securities? Yes No
  - 5. Issuance of any equity, debt or non-taxable bonds? Yes No

If “Yes” to any part of questions from e, f, or g above, please attach the complete details.

- h. Please list all Subsidiaries (Attach separate sheet if necessary.)

| Name | Nature of Business | Percentage Owned | State/Country |
|------|--------------------|------------------|---------------|
|      |                    | %                |               |
|      |                    | %                |               |
|      |                    | %                |               |
|      |                    | %                |               |

**Section IV – Directors & Officers Liability Coverage**

(Complete only if Directors and Officers Liability coverage is requested.)

Not necessary to complete **a through f** if the applicant has publicly available current and accurate information filed with the SEC.

- a. Total number of shareholders \_\_\_\_\_
- b. List all shareholders who hold, directly or beneficially, 10% or more of the common shares outstanding: (Attach separate sheet if necessary.)

| Name | Percentage Owned | Director (D) or Officer (O) |
|------|------------------|-----------------------------|
|      | %                |                             |
|      | %                |                             |
|      | %                |                             |
|      | %                |                             |

- c. Are any of the Applicant’s securities or those of its Subsidiaries publicly traded or the subject of a “shelf registration?”  
If “Yes,” please attach complete details. Yes No
- d. Does the Applicant or any of its Subsidiaries have a portion of its debt purchased by the public? Yes No
- e. Does the Applicant have any of the following committees? Please check all that apply:  

|       |              |            |      |
|-------|--------------|------------|------|
| Audit | Compensation | Nomination | None |
|-------|--------------|------------|------|
- f. Has the Applicant experienced changes to its Board of Directors or to its Key Executives over the past twelve (12) months? Yes No
- g. Has the Applicant, any of its Subsidiaries or any person proposed for coverage been the subject of, named as a party, or involved in, any of the following during the past five (5) years:
  - 1. Anti-trust, copyright or patent litigation? Yes No
  - 2. Civil, criminal or administrative proceeding alleging violation of any federal or state securities laws? Yes No
  - 3. Any other civil action or administrative, alternative dispute resolution or investigative proceeding? Yes No

If “Yes” to any of the questions **c through g**, please attach the complete details.

**Section V – Employment Practices Liability Coverage**

(Complete only if Employment Practices Liability Coverage is requested.)

- a. Number of Employees:  
Please complete the following.

| Category of Employee                  | Current | Last Year |
|---------------------------------------|---------|-----------|
| Total Number of Employees             |         |           |
| Full-Time                             |         |           |
| Part-time, Temporary, or Seasonal     |         |           |
| Leased or Independent Contractors     |         |           |
| Union                                 |         |           |
| In California                         |         |           |
| In Texas and the District of Columbia |         |           |
| Foreign: Country:                     |         |           |
| Foreign: Country:                     |         |           |

b. Please list the number of employees in each of the following salary ranges, (Includes bonus and commissions):

| Salary Range (Including bonus and commissions) | Number of Employees per Category |
|--|----------------------------------|
| \$0 - \$100,000                                |                                  |
| \$100,000 - \$250,000                          |                                  |
| Over \$250,000                                 |                                  |

c. For the past 3 years, what has been the annual percentage of turnover rate of all employees (All locations)?  
 Year \_\_\_\_\_, \_\_\_\_\_% Year \_\_\_\_\_, \_\_\_\_\_% Year \_\_\_\_\_, \_\_\_\_\_%

d. Does the Applicant have a Human Resources or Personnel Department?  
 If "No," who manages the HR function? Please provide complete details. Yes No

- e. Does the Applicant have written procedures in place regarding:
- 1. Equal Opportunity Employment Yes No
  - 2. Anti-discrimination Yes No
  - 3. Anti-harassment Yes No
  - 4. Compliance with the ADA Yes No
  - 5. Compliance with the 1991 Civil Rights Act Yes No
  - 6. Employee disciplinary actions Yes No
  - 7. Terminations, layoffs and early retirements Yes No
  - 8. Employee appraisals/review Yes No

If "No" to any of the above, please advise how/if such are addressed.

f. Does the Applicant have a manual of its Human Resources procedures? Yes No  
 If "Yes," has Legal Counsel reviewed the HR manual in the last two (2) years? Yes No

g. Does the Applicant have an employee handbook? Yes No  
 If "Yes," is the employment handbook distributed to all employees or maintained on an Intranet location informing employees of their employment rights? Yes No

h. Is there a formalized process in place for reporting complaints/harassment? Yes No  
 If "Yes," are employees advised that this action will not result in a retaliatory action? Yes No

i. Does the Applicant provide formal anti-discrimination and anti-harassment training for all of its employees? Yes No

j. Are employment issues relating to terminations, discrimination, sexual harassment, layoffs, transfers, or promotions handled by the Human Resources Department, outside counsel and/or the Legal Department? Yes No  
 If "No", please attach complete details as to how they are handled.

k. During the past five years, has the Applicant, any Subsidiary or any person proposed for coverage been involved in any capacity in any of the following matters?

- 1. EEOC, NLRB or other similar administrative proceedings? Yes No
- 2. Employment-related civil suit incidents or regulatory complaints? Yes No
- 3. Discrimination or harassment of a customer or other non-employee? Yes No

If "Yes" to any of the above, please attach full details.

l. Are you or anyone proposed for this insurance aware of any past or current charges, inquiries, investigations, grievances or other administrative hearings in the last five (5) years or currently before any of the following agencies and/or under any of the following acts?

National Labor Relations Board Yes No

Equal Employment Opportunity Commission Yes No

Federal Labor Standards Act Yes No

|   |     |    |
|---|-----|----|
| Fair Labor Standards Enforcement Act  | Yes | No |
| Title VII of the Civil Rights Act of 1964   | Yes | No |
| Civil Rights Act of 1991  | Yes | No |
| Age Discrimination in Employment Act  | Yes | No |
| Americans With Disabilities Act   | Yes | No |
| Any state or local government agency such as the Labor Department or Fair Employment Agency | Yes | No |
| U.S. Department of Labor  | Yes | No |

If "Yes" to any, please provide details.

Please provide the following information:

**Employee Handbook**  
**EEO-1 Report if the total number of employees is over 100**

**Section VI – Fiduciary Liability Coverage**

(Complete only if Fiduciary Liability is requested.)

a. Plan Information (Attach separate sheet if necessary.)

| Plan Name | Plan Type * | # of Participants | Plan Assets (Current Year) | Plan Status ** |
|-----------|-------------|-------------------|----------------------------|----------------|
|           |             |                   |                            |                |
|           |             |                   |                            |                |
|           |             |                   |                            |                |

\* **Plan Type:** Defined Benefit (DB), Defined Contribution (DC), Welfare (W), Employee Stock Ownership (ESOP) or Other (O).  
 (It is not necessary to include health or welfare plans.)

\*\* **Plan Status:** Active (A), Merged (M), Terminated (T) or Frozen (F)

- |   |     |    |
|---|-----|----|
| b. Does the plan conform to ERISA and plan agreements?  | Yes | No |
| c. Are any of the defined benefit plans for which coverage is being requested underfunded by more than 10%?<br>If Yes, by what percentage is the plan underfunded? _____%   | Yes | No |
| d. Do any of the plans hold or provide the option to invest in the securities of the company or any subsidiary?<br>If yes, please list the percentage that the securities comprise that plan's total assets. _____%                 | Yes | No |
| e. During the past two (2) years have there been, or during the next year do you anticipate any reduction in benefits   | Yes | No |
| f. During the past two (2) years have there been, or during the next year do you anticipate freezing any defined benefit plan or converting it to a cash balance plan?  | Yes | No |
| g. Have any plans been investigated by the DOL, IRS or any other regulatory agency in the past two (2) years?   | Yes | No |
| h. Is any plan a multi-employer or multiple employer plan?  | Yes | No |
| i. Are plan assets managed by an investment manager as defined in ERISA? Please list all third party investment, actuarial, legal, administrative and benefits consulting service providers.  | Yes | No |
| j. Past activities: Has any fiduciary been accused, found guilty or held liable for a breach of trust?  | Yes | No |
| k. Has any fiduciary been convicted of criminal conduct?  | Yes | No |
| l. 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 |
| m. Have any claims (other than for benefits) been made during the past three (3) years against any benefit program or any current or past fiduciary(ies)?   | Yes | No |

If "Yes" to any of the above questions b through m, please attach a full description of the details.

Please provide the following information:

**Plan audit or Form 5500 for all Pension Plans to be covered by this policy**

**Section VII – Prior Knowledge (Renewal Applicants need not answer)**

Does the Applicant or any individual or entity proposed for coverage have any knowledge of or information about any fact, circumstance, situation, transaction, event, act, error, omission, misstatement, misleading statement, neglect, breach of duty or other matter which could reasonably be foreseen to give rise to a claim that may fall within the scope of the proposed insurance?

Yes No

If yes, please provide details:

**NOTE:** Without prejudice to any other rights or remedies of the insurer, it is agreed that if such knowledge or information exists, any claim based on, arising from, or in any way relating to such fact, circumstance, situation, transaction, event, act, error, omission, misstatement, misleading statement neglect, breach of duty or other matter of which there is knowledge or information shall be excluded from coverage under the insurance being applied for.

## FRAUD WARNING

Any person who knowingly and with intent to defraud any insurance company or another 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 may be a crime and may subject the person to criminal penalties.

**ALABAMA, ARKANSAS, LOUISIANA, NEW JERSEY, NEW MEXICO, RHODE ISLAND, VIRGINIA and WEST VIRGINIA:** 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. In Alabama, Arkansas, Louisiana, Rhode Island and West Virginia that person may be subject to fines, imprisonment or both. In New Mexico, that person may be subject to civil fines and criminal penalties. In Virginia, penalties may include imprisonment, fines and denial of insurance benefits.

**COLORADO:** 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.

**DISTRICT OF COLUMBIA, KENTUCKY and PENNSYLVANIA:** 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 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. In District of Columbia, penalties include imprisonment and/or fines. In addition, the insurer may deny insurance benefits if the applicant provides false information materially related to a claim. In Pennsylvania, the person may also be subject to criminal and civil penalties.

**FLORIDA and OKLAHOMA:** Any person who knowingly and with intent to injure, defraud or deceive the insurer, files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony. In Florida, it is a felony to the third degree.

**KANSAS:** An act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for personal or commercial insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto is considered a crime.

**MAINE:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits.

**MARYLAND:** Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

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

**OREGON:** 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 may be guilty of a crime and may be subject to fines and confinement in prison.

**TENNESSEE and WASHINGTON:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines and/or denial of insurance benefits.

This application must be signed by the Chairman of the Board, Chief Executive Officer or the President of the company acting as the authorized representative of the persons and entities proposed for this insurance.

Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**Declarations and Signatures**

The signatory, as authorized agent of all individuals and entities proposed for this insurance, represents that, to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this application and any attachments or information submitted with this application (together referred to as the "application") are true and complete.

The information in this application is material to the risk accepted by the underwriter. If a policy is issued, it will be in reliance by the underwriter upon the application, and the application will be the basis of the contract.

The information contained in and submitted with this application is on file with the underwriter and, along with the application, will be considered physically attached to, part of, and incorporated into the policy, if issued.

The underwriter is authorized to make any inquiry in connection with this application. The underwriter's acceptance of this application or the making of any subsequent inquiry does not bind the applicant or the underwriter to complete the insurance or issue a policy.

The information provided in this application is for underwriting purposes only and does not constitute notice to the underwriter under any policy of a claim or potential claim.

If the information in this application materially changes prior to the effective date of the policy, the applicant will immediately notify the underwriter, and the underwriter may modify or withdraw any quotation or agreement to bind insurance.