

<p><b>PRIVATE COMPANY REIMBURSEMENT INSURANCE POLICY APPLICATION</b></p>
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**NOTICE: THE POLICY FOR WHICH THIS APPLICATION IS MADE APPLIES, SUBJECT TO ITS TERMS, ONLY TO "CLAIMS" FIRST MADE DURING THE POLICY PERIOD. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED BY "DEFENSE EXPENSES," AND "DEFENSE EXPENSES" WILL BE APPLIED AGAINST THE RETENTION. THE ENTIRE APPLICATION SHOULD BE CAREFULLY READ BEFORE IT IS EXECUTED.**

**1. GENERAL INFORMATION**

- a) Name of **Applicant**: \_\_\_\_\_  
(Whenever used in this Application, the term "**Applicant**" shall mean the **Parent Company**.)
- b) Principal Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_
- c) Nature of Business: \_\_\_\_\_
- d) Date the **Applicant** Commenced Operations: \_\_\_\_\_
- e) Name and title of the officer of the **Applicant** designated as the representative to receive all notices from the Insurer on behalf of all person(s) and entity(ies) proposed for this Insurance:  
\_\_\_\_\_

**2. OWNERSHIP INFORMATION**

- a) Total number of the **Applicant's** voting shareholders: \_\_\_\_\_
- b) Percentage of voting shares outstanding owned by the **Applicant's** Directors and Officers: \_\_\_\_\_
- c) Other than the Applicant's Directors and Officers, shareholders owning more than 10% of the voting shares outstanding:

Shareholder	Percentage Owned

3. Has the Applicant or any Subsidiary in the past thirty-six (36) months completed or agreed to, or does it contemplate within the next twelve (12) months, any of the following, whether or not such transaction was or will be completed? If "Yes," please describe the significant provisions of the transaction(s) by attachment to this Application.

- a) Sale, distribution or divestiture of any assets or stock in an amount exceeding 35% of the **Applicant's** consolidated assets?  Yes  No
- b) Any registration for a public or private placement of securities?  Yes  No
- c) Merger, acquisition or consolidation with another entity whose consolidated assets exceed 35% of the **Applicant's** consolidated assets?  Yes  No
- d) Reorganization or arrangement with creditors under federal or state law?  Yes  No

4. Have there been any changes in the **Applicant's** Board of Directors or Senior Management within the past twelve (12) months? (If "Yes," please explain by attachment to this Application.)  Yes  No

## EXECUTIVE LIABILITY UNDERWRITERS

5. **EMPLOYMENT PRACTICES INFORMATION (Complete only if coverage is desired for the Employment Practices Liability Coverage Part)**

- a) Full-Time Part-Time
- Number of Current Employees: \_\_\_\_\_ \_\_\_\_\_
- Number of Employees One Year Ago: \_\_\_\_\_ \_\_\_\_\_
- b) Percentage of the **Applicant's** Employees with salaries:
- Less than \$25,000: \_\_\_\_\_ Between \$50,000 and \$100,000: \_\_\_\_\_
- Between \$25,000 and \$50,000: \_\_\_\_\_ More than \$100,000: \_\_\_\_\_
- c) What percentage of the **Applicant's** Employees are located in California? \_\_\_\_\_
- d) Does the **Applicant** have written policies or procedures with respect to the following?
- |                          |                              |                             |
|--------------------------|------------------------------|-----------------------------|
| Hiring                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Termination              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Discipline               | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Family and Medical Leave | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Sexual Harassment        | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- e) Has the **Applicant** or any **Subsidiary** in the past twelve (12) months had, or does it contemplate within the next twelve (12) months having, any layoffs or plant, facility, branch or office closings? (If "Yes," please explain by attachment to this Application.)  Yes  No

6. **BENEFIT PLAN INFORMATION (Complete only if coverage is desired for the Pension and Welfare Benefit Plan Fiduciary Liability Coverage Part)**

a) Please provide the following information with respect to the **Applicant's** employee benefit plans.

Name of Plan	Current Asset Value	Number of Participants
	\$	
	\$	
	\$	
	\$	
	\$	

- b) Does any Defined Benefit Pension Plan identified above (if applicable) have a funding deficiency? (If "Yes," please explain by attachment to this Application.)  Yes  No  N/A
- c) If any Plan identified above is an Employee Stock Ownership Plan, is an independent valuation of the **Applicant's** stock performed annually?  Yes  No  N/A
- d) Has the **Applicant** in the past thirty-six (36) months amended or terminated, or does it anticipate within the next twelve (12) months amending or terminating, any employee benefit plan? (If "Yes," please explain by attachment to this Application.)  Yes  No

7. **PRIOR ACTIVITIES (Please answer for all desired Coverage Parts)**

- a) Have any claims such as would fall within the scope of the proposed insurance been made against any person(s) or entity(ies) proposed for this insurance? (If "Yes," please explain by attachment to this Application.)  Yes  No
- b) Is any person(s) or entity(ies) proposed for this insurance aware of any fact, circumstance or situation which might afford valid grounds for any claim such as would fall within the scope of the proposed insurance? (If "Yes," please explain by attachment to this Application.)  Yes  No

**Without prejudice to any other rights and remedies of the Insurer, any Claim arising from any claims, facts, circumstances or situations required to be disclosed in response to be 7.a) or 7.b) above is excluded from the proposed insurance.**

## EXECUTIVE LIABILITY UNDERWRITERS

8. As part of this Application, please submit the following documents with respect to the **Applicant**:
- a) Audited financial statements with any notes and schedules.
  - b) Any registration statements filed with the SEC or any private placement memorandums within the last twelve (12) months.
  - c) Copy of the **Applicant's** latest EEO1 report (required if the **Applicant** has more than 100 employees).
  - d) Copy of the latest form 5500s and audited financial statements for each of the **Applicant's** employee benefit plans (excluding any Welfare Benefit Plan).
  - e) Summary and status of any litigation filed within the last twelve (12) months against any person(s) or entity(ies) proposed for this insurance (including any litigation that has been resolved).

**FOR THE PURPOSE OF THIS APPLICATION, THE UNDERSIGNED AUTHORIZED AGENT OF THE PERSON(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE DECLARES THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS HEREIN ARE TRUE AND COMPLETE. THE INSURER IS AUTHORIZED TO MAKE ANY INQUIRY IN CONNECTION WITH THIS APPLICATION. SIGNING THIS APPLICATION DOES NOT BIND THE INSURER TO COMPLETE THE INSURANCE.**

**THE UNDERSIGNED DECLARES THAT THE PERSON(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE UNDERSTAND:**

- (A) **THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED BY THE PAYMENT OF "DEFENSE EXPENSES," AND IN SUCH EVENT, THE INSURER WILL NOT BE RESPONSIBLE FOR ANY ONGOING DEFENSE EXPENSES OR FOR THE AMOUNT OF ANY JUDGEMENT OR SETTLEMENT TO THE EXTENT THAT ANY OF THE FOREGOING EXCEED ANY APPLICABLE LIMIT OF LIABILITY;**
- (B) **"DEFENSE EXPENSES" WILL BE APPLIED AGAINST THE RETENTION;**
- (C) **THIS POLICY APPLIES ONLY TO "CLAIMS" FIRST MADE OR DEEMED MADE DURING THE "POLICY PERIOD," OR, IF PURCHASED, ANY EXTENDED REPORTING PERIOD;**

**IF THE INFORMATION IN THIS APPLICATION MATERIALLY CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE POLICY EFFECTIVE DATE, THE APPLICANT WILL NOTIFY THE INSURER WHO MAY MODIFY OR WITHDRAW ANY QUOTATION.**

**THE INFORMATION CONTAINED AND SUBMITTED WITH THIS APPLICATION IS ON FILE WITH THE INSURER AND, ALONG WITH THE APPLICATION, IS CONSIDERED TO BE PHYSICALLY ATTACHED TO THE POLICY AND WILL BECOME PART OF THE POLICY IF ISSUED.**

**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 POLICY HOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICY HOLDER 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 FLORIDA APPLICANTS: ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY EMPLOYER OR EMPLOYEE, INSURANCE COMPANY, OR SELF-INSURED PROGRAM, FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE OR MISLEADING INFORMATION IS GUILTY OF A THIRD DEGREE FELONY.**

**NOTICE TO KENTUCKY APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES ANY APPLICATION FOR INSURANCE CONTAINING ANY 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 MINNESOTA, OHIO AND ARKANSAS APPLICANTS: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE/SHE 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, WHICH IS A CRIME.**

## EXECUTIVE LIABILITY UNDERWRITERS

**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. NO COVERAGE EXISTS FOR CLAIMS FIRST MADE AFTER THE END OF THE POLICY PERIOD UNLESS, AND TO THE EXTENT, THE EXTENDED REPORTING PERIOD APPLIES. UPON TERMINATION OF COVERAGE FOR ANY REASON, A 60-DAY AUTOMATIC EXTENDED REPORTING PERIOD WILL APPLY. FOR AN ADDITIONAL PREMIUM CALCULATED AS INDICATED IN ITEM 5 OF THE DECLARATION, AN EXTENDED REPORTING PERIOD CAN BE PURCHASED FOR A PERIOD OF AT LEAST ONE YEAR. NO COVERAGE WILL EXIST AFTER THE EXPIRATION OF THE EXTENDED REPORTING PERIOD WHICH MAY RESULT IN A POTENTIAL COVERAGE GAP IF PRIOR ACTS COVERAGE IS NOT SUBSEQUENTLY PROVIDED BY ANOTHER CARRIER. DURING THE FIRST SEVERAL YEARS OF CLAIMS MADE RELATIONSHIPS, CLAIMS MADE RATES ARE COMPARATIVELY LOWER THAN OCCURRENCE RATES, AND THE INSURED CAN EXPECT SUNSTANTIAL ANNUAL PREMIUM INCREASES, INDEPENDENT OF OVERALL RATE INCREASES UNTIL THE CLAIMS MADE RELATIONSHIP REACHES MATURITY.**

**NOTICE TO OKLAHOMA APPLICANTS: 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.**

**NOTICE TO PENNSYLVANIA 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 SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.**

APPLICANT		
BY ( <i>President and/or CEO Signature</i> )	TITLE	DATE

NOTE: This Application must be signed by the President and/or CEO of the **Applicant** acting as the authorized agent of the persons and entity(ies) proposed for this insurance.

PRODUCER (Insurance Agent or Broker)	INSURANCE AGENCY OR BROKERAGE
INSURANCE AGENCY TAXPAYER I.D. OR SOCIAL SECURITY NO.	AGENT OR BROKER LICENSE NO.
ADDRESS OF AGENT OR BROKER (Include Street, City and Zip Code)	
E-MAIL ADDRESS OF AGENT OR BROKER	

SUBMITTED BY (Insurance Agency)	INSURANCE AGENCY TAXPAYER I.D. OR SOCIAL SECURITY NO.
ADDRESS OF AGENT OR BROKER (Include Street, City and Zip Code)	