



UNDERWRITTEN IN EXECUTIVE RISK INDEMNITY INC.

THIS POLICY PROVIDES CLAIMS MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD", OR ANY EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY TO PAY "LOSS" WILL BE REDUCED, AND MAY BE EXHAUSTED, BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE RETENTION. IN NO EVENT WILL THE COMPANY BE LIABLE FOR "DEFENSE COSTS" OR ANY OTHER "LOSS" IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY. READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.

A. GENERAL INFORMATION

- 1. a. Name of Applicant _____
- b. Address of Applicant: _____
- c. Date Applicant Established: _____
- d. Number of Employees _____

2. Name of Agent and Agent's License Number: _____

3. Limits Requested: \$ _____					4. Retention:
a. Employment Practices Liability	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____
b. Directors and Officers Liability	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____
c. Outside Directors Liability	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____
d. Fiduciary Liability	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____
e. Bankers Professional Liability	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____
f. Lender Liability	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____

- 5. Common Stock:
 - a. Number of shareholders _____
 - b. Number of shares outstanding _____
 - c. Name and percentage of shares owned by shareholders directly or beneficially holding 5% or more of the common stock (if none, so indicate).

 - d. Are there any other securities which are convertible to common stock? YES NO

If Yes, please provide, on a separate sheet, full details.

B. EMPLOYMENT PRACTICES INFORMATION

- 1. Does the proposed Applicant:
 - a. Distribute an employee handbook to all employees? YES NO
If No, please explain _____
 - b. Have a written Equal Opportunity Employer statement? YES NO
If No, please explain _____

- c. Have a written termination procedure in place and is it distributed to all employees? YES NO
- d. Have a written policy against discrimination, including sexual harassment? YES NO
- If Yes**, how is it distributed to all employees?
-

e. Provide training on the following policies:

	Discrimination?		Harassment?	
All employees:	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Supervisors:	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
HR Managers:	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO

- f. Have a complaint resolutions process for harassment or discrimination complaints? YES NO

If No, please explain: _____

- g. Use any tests (e.g. psychological, drug, polygraph, etc.) for screening applicants or for continued employment? YES NO

If Yes, please provide, on a separate sheet, full details.

- h. Use an employment application for all applicants? YES NO

If No, please explain _____

- i. Consult outside counsel when employment issues arise? YES NO

If No, please explain _____

- j. Had any layoffs or downsizing as a result of branch closings, expense reduction, or M&A activity in the past twelve (12) months or are any downsizing planned? YES NO

If Yes, please explain _____

2. Who has the authority to hire employees? _____

3. Who has the authority to fire employees? _____

4. Are any of the following written procedures NOT in place?

- Employment-at-will disclaimer
- ADA/Handicap Accommodation
- Progressive discipline

C. EMPLOYEE BENEFIT PLAN INFORMATION

1. Names of Employee Benefit Plans of the Applicant:

2. Investment Managers:

3. Does the investment manager(s) have discretionary control over the investing of the total plan assets? YES NO
4. Do you handle any investment decisions in house for the plans listed above? YES NO
If Yes, please describe _____
5. In the past three (3) years, have any of the Applicant's plans been merged? YES NO
If Yes, please provide, on a separate sheet, full details.
6. In the past three (3) years, have any of the Applicant's plans been terminated? YES NO
If Yes, please provide, on a separate sheet, full details.
7. Do the plans conform to the standards of eligibility, participation, vesting and other provisions of ERISA? YES NO
8. Have the plans been reviewed to assure that there are no violations of any plan trust agreements, prohibited transactions or party-in interest rules? YES NO
9. Do you have any outstanding delinquent contributions to any plans? YES NO
10. Does the Applicant have an ESOP? YES NO

D. PROFESSIONAL SERVICES INFORMATION

(Complete only if requesting Bankers Professional Liability Coverage)

1. Is the Applicant or any Subsidiary currently offering or planning to offer any of the following services?
- | | | |
|--|------------------------------|-----------------------------|
| a. Actuarial Services | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| b. Appraisal Services | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| c. Data Processing Services | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| d. Discount Brokerage Services | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| e. Insurance Agent/Agency | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| f. Investment Advisor/Counselor/Manager | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| g. Lending or Leasing Services | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| h. Real Estate Agent/Agency/Manager | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| i. Real Estate Investment Trust Advisory | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| j. Security Broker/Dealer | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| k. Travel Agent/Agency | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| l. Trust Department Services | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| m. Wire Transfer Services | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| n. Other Services? (please specify) | <input type="checkbox"/> YES | <input type="checkbox"/> NO |

2. With respect to Trust Department Accounts, please provide the following:

	<u>No. of Accounts</u>	<u>Market Value of Assets</u>	<u>Managed/Discretionary</u>
a. Individual Trust Accounts	_____	_____	_____
b. ERISA	_____	_____	_____
c. ESOP	_____	_____	_____

3. Does the Applicant or any Subsidiary perform management or advisory functions with respect to closely-held businesses? YES NO
4. Does the Applicant or any Subsidiary control 5% or more of the stock of any corporation via its trust functions? YES NO

If Yes, please provide, on a separate sheet, details including the name of the corporation and the percentage.

5. Is the Applicant or any Subsidiary involved in the management or actual operation of any businesses? YES NO

If Yes, please provide, on a separate sheet, details including the name of the business managed and the type of business.

E. PAST ACTIVITIES

1. Has the Applicant or any Subsidiary been involved in any of the following in the past three (3) years, or has any director, officer or ERISA fiduciary been involved in any of the following at any time?

	<u>Organization</u>		<u>Persons</u>	
a. Antitrust, copyright or patent litigation?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
b. Accused, found guilty or held liable or a breach of ERISA or similar law?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
c. Any other criminal actions?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
d. Received a cease and desist order from any regulatory agency?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
e. Merger, acquisition, or divestment?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
f. Any representative actions, class actions or derivative suits?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
g. Civil, criminal or administrative proceeding alleging violation of any federal or state securities law?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO

If Yes to any of the above, please provide, on a separate sheet, full details.

2. Have any payments been made on behalf of any Applicant under any previous policy that provided insurance similar to that for which you are applying? YES NO

If Yes, please provide, on a separate sheet, full details.

3. Has the Applicant or any Subsidiary been involved within the last three (3) years, or contemplated in the next twelve (12) months:

- | | | |
|---|------------------------------|-----------------------------|
| a. Any actual or proposed merger, acquisition or divestment? | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| b. Any registration for a public offering or a private placement of securities? | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| c. Any layoffs, staff reductions or facility closings? | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| d. Any change in outside auditors? | <input type="checkbox"/> YES | <input type="checkbox"/> NO |

If Yes to any of the above, please provide, on a separate sheet, full details.

4. Please attach a listing of all lawsuits, administrative proceedings or Department of Labor investigations commenced or demand letters received during the past three (3) years. Describe the type of allegation, the court or agency involved, and the current status for each, including any determination, judgment, defense costs or settlement.

F. PRIOR INSURANCE

1. Do you currently have:

<u>Coverage</u>	<u>Yes</u>	<u>No</u>	<u>Insurer</u>	<u>Limit</u>	<u>Deductible/ Retention</u>	<u>Policy Period</u>
a. Employment Liability	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
b. Fiduciary Liability	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
c. D&O Liability	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
d. BPL	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
e. Trust E&O	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
f. Lender Liability	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
g. Financial Institution Bond	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____

2. Attach a copy of the prior application (with any prior insurer) for which continuity of coverages is to be maintained. The Company will be relying upon the declarations and statements contained in such prior application and those declarations and statements shall be considered to be incorporated in, and form part of the Policy.

3. Has the Applicant or any Subsidiary given written notice under the provision of the policies listed above or any prior policies providing similar insurance of specific facts or circumstances which might give rise to a claim being made against the Applicant or any Subsidiary? YES NO

If Yes, please provide, on a separate sheet, full details.

G. PRIOR KNOWLEDGE

If you answered No to any coverage type in Section F., Prior Insurance, or you are requesting limits of liability for any coverage type larger than the limits set forth in Section F., Prior Insurance, the following statement must be completed:

No person 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 coverage, except:

None or

It is understood and agreed that the above statement applies to (a) those coverages for which no coverage is currently maintained, and (b) for those coverages where the Applicant is requesting larger limits of liability greater than currently maintained.

It is understood and agreed that if knowledge of any such facts or circumstances exist, whether or not disclosed, any claim or action arising from them is excluded under any policy issued by the Company.

H. OTHER INFORMATION

Please attach the following information with this completed Application:

- a. Latest year audited financial statements or Directors' Exam.
- b. A list of your board of directors and their outside affiliations.
- c. Your most recent employee handbook.
- d. Your EEO-1 reports for the past three years.
- e. Your most recent C.P.A. management letter and response.
- f. Your most recent Call Report.
- g. Your most recently filed Form 5500 and the related schedules for all ERISA plans except health and welfare plans.

I. MATERIAL CHANGE

If there is any material change in the answers to the questions in this Application before the policy inception date, the Applicant must immediately notify the Company in writing, and any outstanding quotation may be modified or withdrawn.

J. NOTICES

The Applicant's submission of this 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.

Notice to Arkansas, Minnesota, New Mexico and Ohio 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, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

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 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 of 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 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 Louisiana and Rhode Island 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 Maine, 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 may include imprisonment, fines or a denial of insurance benefits.

Notice to 5`UVUa U`UbX`Maryland Applicants: Any person who knowingly [] willfully presents a false or fraudulent claim for payment of a loss or benefit or who 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.

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 Oklahoma 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 containing any false or misleading information is guilty of a felony.

Notice to Oregon and Texas Applicants: Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

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.

Notice to Puerto Rico Applicants: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation with the penalty of a fine of not less than five thousand (5,000) dollars and not more than ten thousand (10,000) dollars, or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances are present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

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.

K. DECLARATIONS AND SIGNATURE

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

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

This Application must be signed by the chief executive officer and Chairman of the Board of Directors of the Parent Organization acting as the authorized representative of all person(s) and entity(ies) proposed for this insurance.

By _____
Signature of Chief Executive Officer
(or other Senior Officer if the Chief Executive Officer
is also the Chairman, Board of Directors)

By _____
Signature of Chairman, Board of Directors

Date _____

Date _____

A Policy cannot be issued unless the Application is properly signed by the Chief Executive Officer, or other Senior Officer if the Chief Executive Officer is also the Chairman, Board of Directors.

NOTE: This Application and all exhibits shall be treated in strictest confidence.