

Name of Insurance Company to which Application is made (herein called the "Insurer")

**Management and Professional Liability for Private Companies**  
**Financial Institutions Risk Protector<sup>SM</sup> Application**

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**NOTICES**

**IF A POLICY IS ISSUED, DEFENSE COSTS WILL REDUCE THE LIMITS OF LIABILITY (AND, THEREFORE, AMOUNTS AVAILABLE TO RESPOND TO SETTLEMENTS AND JUDGMENTS) AND WILL BE APPLIED AGAINST APPLICABLE RETENTIONS.**

**IF A POLICY IS ISSUED, COVERAGE WILL BE GENERALLY LIMITED TO LOSS FROM CLAIMS FIRST MADE AGAINST INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER AS THE POLICY REQUIRES.**

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**INSTRUCTIONS:** The words "you", "your" and "Applicant" refer to the Named Applicant and all the other entities applying for coverage. The General Information Section, Financial Information Section, Policy Coverage Details Section, and the Current Insurance Details Section need to be completed in their entirety as well as those sections for which the Applicant is applying for coverage. If your answer to any question in this Application requires additional space, please complete your answer on an attachment. In the event that you are applying for Bankers Professional Liability coverage, the Bankers Professional Liability Supplemental Application must be completed and will be attached to, and made part of, this Application. This Application, its respective attachments, supplements and any other related information or documentation you provide (or indicate is available on a website) will constitute a single "Application".

**Section A.**  
**GENERAL INFORMATION**

1. Named Applicant:

\_\_\_\_\_

Address of Named Applicant: \_\_\_\_\_

City: \_\_\_\_\_ Domicile State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

2. State of Incorporation: \_\_\_\_\_

3. Is the Applicant a General or Limited Partnership? Yes  No

4. Does the Named Applicant or any of its Subsidiaries act as a general partner in any partnership?

Yes  No

5. Revenues (Most Recent Year):  0-\$10,000,000  \$10,000,001 – \$25,000,000

\$25,000,001-\$50,000,000  \$50,000,001 - \$100,000,000

Over \$100M

6. Applicant's Primary Nature of Business:

\_\_\_\_\_

6a. Applicant's Primary SIC Code: \_\_\_\_\_

7. The Applicant does not own, operate, manage, or control any captive insurance company or foresee the formation, ownership, or participation in the ownership of any captive insurance company in the future, except for the following captive insurance companies ("Captive(s)"): \_\_\_\_\_

8. Does any Captive listed above conduct any third party business or will any Captive listed above conduct any third party business in the future? Yes  No

9. What coverage is the Applicant applying for?

Coverage	Applicant applying for coverage?		Does the Applicant currently have such insurance?	
	Yes	No	Yes	No
D&O and Private Company Liability				
Employment Practices Liability				
Fiduciary Liability				
Bankers Professional Liability				
Insurance Company Liability				
netAdvantage Security & Privacy Liability				
Employed Lawyers Professional Liability				

**Unless otherwise indicated below, please answer the following question for all coverage types desired:**

10. There has not been nor is there now pending any claim(s), suit(s), investigation(s) or action(s) against the Named Applicant, its subsidiaries, or any director, officer or employee of any Applicant arising out of: (i) any director, officer, employee or entity liability matter; or (ii) any matter claimed against any person proposed for insurance in his or her capacity as a director, officer, plan fiduciary or employee.

Is the above statement true with regard to:

- D&O and Private Company Liability Yes  No
- Employment Practices Liability Yes  No
- Fiduciary Liability Yes  No
- Bankers Professional Liability Yes  No
- Insurance Company Liability Yes  No
- netAdvantage Security & Privacy Liability Yes  No
- Employed Lawyers Professional Liability Yes  No

(If No was checked with respect to any of the above, please attach complete details regarding those claims, suits, investigations or actions.)

11.(Please answer if applying for Fiduciary Liability): Has there been or is there pending any inquiry or investigation, or any violation of ERISA or any similar common or statutory law of the United States, Canada or any state or other jurisdiction anywhere in the world, to which an Applicant plan is subject?

Yes  No  (If Yes, please attach complete details.)

12. Does the Named Applicant, its subsidiaries, or any director, officer or employee of the Applicant know of any act, error or omission, which could give rise to a claim(s), suit(s) or action(s) under the proposed policy with regard to:

- D&O and Private Company Liability Yes  No
- Employment Practices Liability Yes  No

- |   |  |
|---|--|
| Fiduciary Liability                       | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Bankers Professional Liability            | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Insurance Company Liability               | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| netAdvantage Security & Privacy Liability | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Employed Lawyers Professional Liability   | Yes <input type="checkbox"/> No <input type="checkbox"/> |

(If Yes was checked with respect to any of the above, please attach complete details.)

**Please answer Questions 13 through 15 if applying for Employed Lawyers Professional Liability.**

13. Is any employed lawyer or the Applicant aware, after reasonable inquiry, of any claims or actions against any person proposed for insurance in his or her capacity as an employed lawyer within the past three (3) years?  
Yes  No  (If Yes, please attach complete details.)
14. Is any employed lawyer or the Applicant aware, after reasonable inquiry, of any act, error or omission which may be reasonably be expected to give rise to a claim against any employed lawyer or has the Applicant or any employed lawyer been charged in any civil, criminal, administrative or regulatory action or proceeding with a violation of any federal, state or foreign securities law, rule or regulation?  
Yes  No  (If Yes, please attach complete details.)
15. Has any employed lawyer been the subject of a reprimand or disciplined by, or refused admission to a federal or state bar, court or administrative agency? Yes  No  (If Yes, please attach complete details.)

**Please answer Questions 16 through 19 if applying for netAdvantage Security & Privacy Liability.**

16. Is Applicant aware of any actual or alleged fact, circumstance, situation, error or omission, or issue which might give rise to a claim against for invasion or interference with rights of privacy, wrongful disclosure of personal information, or which might otherwise result in a claim against the Applicant with regard to issues related to Security & Privacy Liability? Yes  No  (If Yes, please attach complete details.)
17. During the past three (3) years, has anyone filed suit or made a claim against the Applicant with regard to invasion or interference with rights of privacy, wrongful disclosure of personal information, or which might otherwise result in a claim against the Applicant with regard to issues related to Security & Privacy Liability?  
Yes  No  (If Yes, please attach complete details.)
18. During the past five (5) years, has a complaint, claim, demand, lawsuit or regulatory proceeding concerning the security of a computer system or website been made or initiated against the Applicant?  
Yes  No  (If Yes, please attach complete details.)
19. During the past three (3) years, has the Applicant suffered any breach or failure of computer security?  
Yes  No  (If Yes, please attach complete details.)

*It is agreed that with respect to Questions 10 through 19 above, if such claim(s), suit(s), investigation(s), action(s), proceeding(s), inquiry, violation, knowledge, information or involvement exists, then such claim(s), suit(s), investigation(s), action(s), proceeding(s) or inquiry and any claim or action arising therefrom or arising from such violation, knowledge, information or involvement is excluded from the proposed coverage.*

**Section B.**

**FINANCIAL INFORMATION**

**Please provide the following financial information for the Applicant and its Subsidiaries.**

**Information must be from within the last 24 months.**

Based on Financial Statements Dated: \_\_\_\_\_/\_\_\_\_\_(Year/Month)

1. Has any auditor issued a "going concern" opinion for the Named Applicant's or any of its Subsidiaries' financial statements or is the Named Applicant or any of its Subsidiaries declaring bankruptcy or has the Named Applicant or any of its Subsidiaries declared bankruptcy or operated under a different name in the last 7 years? Yes  No
2.  Net Income or  Net Loss  
Please specify the amount of the Net Income or Net Loss:  
 0 - \$1,000,000     \$1,000,001 - \$5,000,000     \$5,000,001 - \$10,000,000  
 \$10,000,001 - \$25,000,000    Other: \$ \_\_\_\_\_
3. Years of Operation?  Less than 1 year     1 < 2 years     2 < 3 years  
 3 < 5 years     Over 5 years
4. Is the Applicant currently operating with positive retained earnings? Yes  No
5. Total Assets: \$ \_\_\_\_\_  
Total Liabilities \$ \_\_\_\_\_
6. Current Assets: \$ \_\_\_\_\_  
Current Liabilities: \$ \_\_\_\_\_
7. Long-Term Debt with Maturity Date within next 18 months: \$ \_\_\_\_\_

**Section C.**

**DIRECTORS AND OFFICERS INFORMATION** Coverage Requested? Yes  No

Please complete this Section if applying for this coverage.

1. Do all shareholders that own 25% or more of the voting shares, either directly or beneficially, have a representative on the board of directors? Yes  No
2. Within the last 12 months, has any Applicant had any private placement? Yes  No   
(If Yes, please provide the amount of proceeds from the private placement.)  
Amount : \$ \_\_\_\_\_
3. Does any Applicant provide services to its customers or clients for a fee or compensation?  
Yes  No
4. Within the last 12 months, has any Applicant had an offering of securities exempted pursuant to section 3(b) of the Securities Act of 1933? Yes  No
5. Does any Applicant engage in any securitizations? Yes  No   
(If Yes, please provide details on all securitizations in the last twenty-four (24) months, including, but not limited to, the number of securitizations, the amount of each securitization, the assets underlying each securitization, whether the securitization was on balance sheet versus off balance sheet, the securitization service provider(s) and advisor(s) used, etc.)

**Section D.**

**EMPLOYMENT PRACTICES INFORMATION** Coverage Requested? Yes  No

Please complete this Section if applying for this coverage.

1. Please Complete the Grid below:

Number of Employees: (Non-Union or Union)	CA	DC, FL, TX or MI	All Other States
Non-Union Full-Time			
Non-Union Part-Time			
Union Full-Time			
Union Part-Time			
Total			

2. What percentage of employees have been involuntarily terminated (with or without cause) within the last 24 months? \_\_\_None \_\_\_1-10% \_\_\_11-25% \_\_\_Over 25%  
If over 25% please provide percentage amount: \_\_\_\_\_
3. What percentage of employees does the Applicant anticipate laying off in the next 12 months?  
\_\_\_None \_\_\_1-10% \_\_\_11-25% \_\_\_Over 25%  
If over 25%, please provide percentage amount: \_\_\_\_\_
4. Is it the Applicant's practice to provide severance packages to affected employees when layoffs occur? Yes  No
5. Is it the Applicant's practice to obtain releases from liability from affected employees when layoffs occur? Yes  No
6. Does the Applicant have a Human Resources or Personnel Department (or equivalent sufficiently executing the duties of such Departments)? Yes  No
7. By what means does the applicant ensure that each employee is aware of his or her rights under state and federal employment laws, including the right to work free from discrimination or harassment in the workplace?  
 Employee Handbook  Website  Handouts/Bulletins  Verbal  None
8. Has the Applicant implemented a formal procedure for recording and handling employee discrimination and harassment complaints? Yes  No
9. Does the Applicant conduct anti-harassment and anti-discrimination training for employees and managers? Yes  No
10. Has a discrimination or harassment claim been filed against an executive or officer in the last 5 years?  
 Yes  No  
(If Yes, please describe the claim, the disposition of same and the disciplinary action taken against that executive or officer.)
11. Does the Applicant ensure that each employee is aware of state and federal discrimination, sexual harassment and civil rights laws with respect to third parties (i.e. clients or customers)? Yes  No

12. Does the Applicant have policies or procedures outlining employee conduct when interacting with third parties (i.e. customers or clients)?  
 Yes  No   
 (If Yes, please provide a copy.)
13. Does the Applicant provide formal diversity or cultural sensitivity training for employees who interact with customers, clients or the general public?  
 Yes  No
14. Has the Applicant implemented a formal procedure for recording and handling the discrimination, sexual harassment and civil rights complaints of third parties (i.e. customers or clients)?  
 Yes  No   
 (If Yes, please provide a copy.)
15. What is the current percentage of employees that have direct contact with customers, clients or the general public? \_\_\_\_\_%
16. What is the approximate percentage of the Applicant's employees that work at customer/client locations or perform a majority of their functions off-site? \_\_\_\_\_%

**Section E.**

**FIDUCIARY LIABILITY INFORMATION** Coverage Requested? Yes  No

Please complete this Section if applying for this coverage.

1. List of Plans for which coverage is requested:

Full name of plan to be covered.	Type of Plan (fill in all that apply)*	Does the Plan invest in employer securities? (Y/N)	Total amount of plan assets	Number of Plan participants	Are all plan assets held in trust by a bank, registered investment company or insurance company? (Y/N)	Does the Plan hold or permit investment in collectibles? (Y/N)
1.						
2.						
3.						

\*Types of Plans:

1 = 401(k)	2 = Profit Sharing	3 = ESOP	4 = Money Purchase Pension	5 = Defined Benefit
6 = Cash Balance	7 = Welfare Benefit	8 = Stock Option Plan	9 = Multiemployer Plan or Multiple Employer Plan	10 = Other

2. If you listed any 401(k) plan(s) in Question 1, please answer this question. If there is no 401(k) plan(s), please proceed to Question 3.

Do plan participants have at least three investment options, each with a materially different risk and return characteristic (for instance an equities fund, a bond fund, and a money market fund)?

Yes  No

3. If you listed any defined benefit plan(s) in Question 1, please answer this question. If there are no defined benefit plan(s), please proceed to Question 4.

- (a) Are all defined benefit plans adequately funded in accordance with ERISA or any applicable similar, common or statutory law of the United States, Canada or any state or other jurisdiction anywhere in the world, as attested to by an actuary? Yes  No
- (b) Are there any overdue employer contributions for any plan, or has any plan requested or contemplated filing a request for a waiver of contributions? Yes  No
- (c) Has any defined benefit plan undergone a conversion to a cash balance plan or is any such conversion being considered? Yes  No
4. If in the answer to Question 1 above, you indicated that any plan invests in employer securities, please complete the following:
- (a) Was the value of the shares in the plan established through an independent appraisal performed annually? Yes  No
- (b) What is the per-share value now? \$\_\_\_\_\_ What was the per share value the year before? \$\_\_\_\_\_ What was the per share value the year before that? \$\_\_\_\_\_ What was the per share value at plan establishment? \$\_\_\_\_\_
5. In the past 24 months has there been, or in the next 12 months is there anticipated, any amendment that has resulted in or is expected to result in any reduction of benefits, including but not limited to an increase in participants' share of costs? Yes  No
6. Have any of the Applicant's plans (or portion of any plan) been spun off (sold), transferred, or terminated or is any such transaction contemplated? Yes  No

**Section F.**

**BANKERS PROFESSIONAL LIABILITY INFORMATION** Coverage Requested? Yes  No

Please complete this Section if applying for this coverage.

1. (a) Regulatory agency with examination authority: \_\_\_\_\_  
 (b) Date of last examination: \_\_\_\_\_
2. Does Applicant have a Banker's Blanket Bond in force? Yes  No   
 If Yes, please indicate the following:  
 Name of Carrier: \_\_\_\_\_  
 Limit of Liability: \_\_\_\_\_  
 Expiration Date: \_\_\_\_\_
3. To request coverage for a professional service, please place an "X" in the box next to each professional service requested and complete the corresponding Section in the Bankers Professional Liability Supplemental Application:
- (1) The administration of trusts, estates or guardianships within the Company's Trust Department, including the rendering of investment advice and valuation services in connection therewith.
- (2) The administration of Individual Retirement Accounts or Keogh Retirement Accounts.
- (3) Acting as a receiver, trustee in bankruptcy or assignee for the benefit of creditors.
- (4) The administration of a program for the lending of securities administered for trust and custodial customers where there is a specific written instrument authorizing the applicant to so act on behalf of such customer.
- (5) Acting as a trustee under bond indenture.

- (6) Acting as a dividend disbursing agent, exchange agent, redemption or subscription agent, or warrant or scrip agent.
- (7) Acting as a fiscal or paying agent, or tax withholding agent.
- (8) Acting as a custodian or depository, or a managing agent for securities or money.
- (9) Acting as an escrow agent.
- (10) Acting as a registrar, transfer agent or clearing agent.
- (11) Acting as a fiduciary as defined by the Employee Retirement Income Security Act of 1974.
- (12) Acting as a tax planner and/or tax preparer to trusts, estates and individuals.
- (13) The servicing of any loan, lease or extension of credit including, but not limited to, record keeping, billing and disbursements of principal and interest, insurance premium and taxes, determination of the depreciation amounts for leased property (but not for projections of or an appraisal for residual value of leased property); Loans shall include all types of consumer or commercial lending activity including consumer finance, commercial finance, consumer banking and mortgage banking (including mortgage backed securities or other securities representing pooled assets) except financing for Leveraged Buy-Outs.
- (14) Acting as a securities broker/dealer for the account of others.
- (15) Sale of Municipal General Obligation Bonds with an rating of A+ or better by Standard & Poor's or A1 or better by Moody's Investors Services at the time of issuance.
- (16) Acting as an investment advisor and/or financial advisor and/or economic advisor and/or investment manager (unless acting as an Investment Advisor to Investment Companies, as each is defined in the Investment Company Act of 1940) pursuant to a written contract defining the scope of such advice and/or services and the compensation to be paid therefore, provided that these services are not rendered in the Insured's trust department.
- (17) Acting as a consumer financial planner to individuals.
- (18) Acting as a wire transfer agent.
- (19) Accounting, net asset valuation or transfer services for mutual funds that are Open-End Investment Companies as registered with the Securities and Exchange Commission under the Investment Company Act of 1940.
- (20) Acting as a notary public.
- (21) Acting as a real estate broker or agent or real estate appraiser and/or managing real or personal property for others (other than Real Estate Investment Trust Management).
- (22) Acting as an insurance agent or broker, or otherwise rendering advice or recommendations regarding insurance.
- (23) Sale of travelers checks, certified checks or money orders.
- (24) The administration or sale of credit cards or credit card services.
- (25) The administration or lease of lockboxes.
- (26) Electronic data processing services, data collection services or acting as a custodian for database or sensitive information stored electronically.



(27) Specified Other Professional Service not listed above.

**Section G.**

**INSURANCE COMPANY LIABILITY INFORMATION** Coverage Requested? Yes  No

Please complete this Section if applying for this coverage.

1. What is the percentage of revenues derived from each of the following:

% _____ Property & Casualty	% _____ Life, Accident & Health
% _____ Reinsurance	% _____ Other (please explain)

2. (a) Direct written premium for all entities for most recent year: \_\_\_\_\_  
 (b) Estimated direct written premium for all entities for current year: \_\_\_\_\_  
 (c) Net written premium for all entities for most recent year: \_\_\_\_\_  
 (d) Estimated net written premium for all entities for current year: \_\_\_\_\_

3. Are any services performed by the Applicant for non-policyholders? (e.g., claims adjusting, safety engineering, loss control, actuarial consulting, rehabilitation services, premium financing, other.) Please list, describe and include expected revenues generated (attach a separate sheet if necessary).  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

4. (a) Regarding facultative and treaty reinsurance contracts Applicant buys to reinsure itself, with respect to coverage of punitive and exemplary damages the contracts are:  
 (i) silent ( )  
 (ii) specifically included ( )  
 (iii) specifically excluded ( )
- (b) Please provide names of principal treaty reinsurers of Applicant:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

5. Claim Services:

(a) Number of claims handling personnel:

(i) Adjusters _____	(iii) Medical Staff _____
(ii) Examiners _____	(iv) Attorneys _____

(b) Approximate total number of claims handled annually:

ALBI _____	ALPD _____	APHD _____	GL _____	WC _____	Miscellaneous Casualty & Fire & Allied _____
Life Indiv. _____	Life Group _____	A&H Indiv. _____	A&H Group _____	Other _____	

(c) Does the Applicant contract outside adjustment services? Yes  No

If Yes, please indicate the percentage of claims that are handled by outside adjustment services and attach a copy of standard contract. \_\_\_\_\_%

6. List the five largest premium volume states and approximate Direct Written Premium for each state:

State	Direct Written Premium
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____

7. Total Premium Volume:

	Last Year	Current Year
<b>Direct Written Premium</b>	\$ _____	\$ _____
<b>Net Written Premium</b>	\$ _____	\$ _____

8. (a) Regarding facultative and treaty reinsurance contracts Applicant buys to reinsure itself, with respect to coverage of punitive and exemplary damages the contracts are:

- ( ) silent
- ( ) specifically included
- ( ) specifically excluded

(b) Please provide the names of the principal treaty reinsurers of Applicant and their respective ratings:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

9. Please provide the following information regarding the Applicant's procedures for the handling, assessment and monitoring of all actual lawsuits against the Applicant, its directors, officers or employees for Wrongful Acts in the performance of Professional Services (as defined in the Insurance Company Liability Coverage Section of the policy), including, but not limited to, lawsuits alleging errors or omissions or seeking extra-contractual, punitive or bad faith damages.

(a) Does the applicant have established procedures? Yes  No   
If Yes, please describe:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(b) Is a written directive for these procedures in effect? Yes  No   
(If Yes, please provide a copy.)

(c) Who is (are) the senior person(s) responsible for monitoring and assessing lawsuits of this nature?  
Name(s)

\_\_\_\_\_

Title(s)

\_\_\_\_\_

Department(s)

**Section H.**

**netADVANTAGE SECURITY & PRIVACY LIABILITY INFORMATION** Coverage Requested? Yes  No

Please complete this Section if applying for this coverage.

1. Does Applicant have a written corporate-wide privacy policy?  Yes  No  
 If Yes, please attach a copy and answer the questions below:
  - A. Has it been reviewed by a qualified attorney?  Yes  No
  - B. Does Applicant's privacy policy allow you to share information with third parties?  Yes, if consumers "opt in"  
 Yes, unless consumers "opt out"  
 No
  
2. Does Applicant collect, store, maintain, or distribute credit card data or personally identifiable consumer information?  Yes  No  
 If Yes, please describe below:  


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3. Does Applicant have an Internet privacy policy posted on its website?  Yes  No  
 If Yes, has it been reviewed by a qualified attorney?  Yes  No
  
4. How often is Applicant's privacy policies reviewed and updated?  Annually  
 Quarterly  
 Other: \_\_\_\_\_
  
5. Does Applicant employ a chief privacy officer?  Yes  No  
 If No, what position is responsible for management of, and compliance with, Applicant's privacy policies?  
 \_\_\_\_\_
  
6. Within the past two (2) years, has Applicant passed an outside privacy audit or has Applicant received a privacy certification?  Yes  No  
 (If Yes, please provide a copy.)
  
7. Within the last year, has Applicant completed an internal audit or assessment to determine Applicant's compliance with regulations and laws concerning the protection of privacy rights?  
 Yes  No  
 If Yes, have all recommendations or issues been resolved?  Yes  No  
 If all recommendations have not been complied with, please describe the recommendation(s), outline timetable for compliance or explain why the recommendation(s) will not be implemented (attach a separate sheet if necessary):  


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8. Within the last year, has Applicant completed an internal audit or assessment to determine compliance with Applicant's privacy policy?  Yes  No  
 If Yes, have all recommendations or issues been resolved?  Yes  No  
 If all recommendations have not been complied with, please describe the recommendation(s), outline timetable for compliance or explain why the recommendation(s) will not be implemented (attach a separate sheet if necessary)  


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9. Does Applicant have a document retention and destruction policy?  Yes  No
  
10. Does Applicant have and enforce clean desk policy?  Yes, for all areas  
 Yes, in selected areas  
 No  
 If the clean desk policy only applies to selected areas, please describe:

- 
- 
- 
11. Does Applicant restrict employee access to consumer, and customer files (as applicable) to employees with a business-need to know basis?  Yes  No
12. Does Applicant provide training for employees on privacy, data security and related issues?  Yes  No
13. Has Applicant entered into any data sharing or interchange agreements with another entity?  Yes  No
- (a) Does Applicant require others providing data processing or technology services to Applicant to sign a data sharing or interchange agreements, or does Applicant otherwise address responsibility for securing data in Your written contracts with such entities?  Yes  No
- (b) Are all contracts reviewed by legal counsel?  Yes  No  
(If Yes to 13(a) or 13(b) above, please provide a copy of Applicant's standard contract.)
14. (a) Does Applicant's contracts with vendors and others with whom Applicant shares Personally Identifiable Information require the other party to defend and indemnify Applicant for legal liability arising from any release or disclosure of the information due to the negligence of the vendor or other party?  Yes  No
- (b) Does Applicant require vendors to maintain professional liability insurance?  Yes  No
15. Does Applicant require all vendors to whom Applicant outsources technology or data processing functions to demonstrate adequate security of computer systems?
- No  Vendor must supply SAS 70  Vendor must provide security audit
- Security is assessed by internal staff  Other (describe: \_\_\_\_\_)
16. In all cases, does the Applicant's hiring process include the following? (please check all that apply)
- |                         | <u>All Employees</u>     | <u>Some Employees*</u>   | <u>All Ind Contractors</u> | <u>Not Required</u>      |
|-------------------------|--------------------------|--------------------------|----------------------------|--------------------------|
| Criminal Convictions:   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>   | <input type="checkbox"/> |
| Educational Background: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>   | <input type="checkbox"/> |
| Credit Check:           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>   | <input type="checkbox"/> |
| Drug Testing:           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>   | <input type="checkbox"/> |
| Work History:           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>   | <input type="checkbox"/> |
- \*If hiring procedures are only required in some cases, please describe when such item is required:
- 
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17. Does Applicant sell, or otherwise release consumer or client information to:
- (a) Related entities?  Yes  No
- (b) Outside entities?  Yes  No
- If Yes to a. or b. above, in all cases is Applicant's agreement to sell or release such information subject to a written agreement?  Yes  No
- Please attach a copy of Applicant's written agreement to sell or release information. If no written agreement is required, please describe the exact circumstances when written agreements are not required (attach a separate sheet if necessary).
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**Section I.**

**EMPLOYED LAWYERS PROFESSIONAL LIABILITY INFORMATION** Coverage Requested? Yes  No   
 Please complete this Section if applying for this coverage.

1. Please provide the number of attorneys employed by the Applicant in their capacity as such: \_\_\_\_\_
2. Does the Applicant’s legal department provide legal advice or issue a legal opinion with respect to securities law or certify a registration statement filed under the Securities Exchange Act of 1934?  
 Yes  No
3. Does any employed lawyer serve on the Board of Directors or equivalent governing body of the Applicant or its subsidiaries? Yes  No
- 3a. Does the Applicant or its subsidiaries permit or require employed lawyers to issue written legal opinions to outside parties in connection with sales, acquisitions or other transactions? Yes  No
- 3b. Does any employed lawyer serve on a due diligence committee or perform legal services regarding any merger, acquisition or a consolidation of or by the Applicant or its subsidiaries? Yes  No
4. Do the Applicant’s employed lawyers appear in court on behalf of the Applicant or any other party? Yes  No
5. Does the Applicant wish to exclude coverage for acts of employed lawyers that are committed outside of the course of their employment by the Applicant? Yes  No
- 5a. <If answer to 5 is “No”>: Does any employed lawyer provide personal legal services with respect to criminal, matrimonial, or intellectual property law or estate/financial planning? Yes  No

**Section J.  
 POLICY COVERAGE DETAILS**

AGGREGATE LIMIT OF LIABILITY REQUESTED FOR ALL COVERAGE SECTIONS:  
 \$ \_\_\_\_\_

Coverage	Separate Limit of Liability Requested:	Shared Limit of Liability Requested (indicate which Coverage Sections would share limits)	Self-Insured Retention Requested
D&O and Private Company Liability			Securities Claims: All Other Claims:
Employment Practices Liability			
Fiduciary Liability			
Bankers Professional Liability			
Insurance Company Liability			
AIG netAdvantage Security & Privacy Liability			
Employed Lawyers Professional Liability			

**Section K.  
 CURRENT INSURANCE DETAILS**

For the coverages the Applicant is applying for via this Application (for which the Applicant currently has similar insurance), provide the following details of such current insurance:

Coverage	Does the Applicant currently have such insurance?		Are other coverages included? If so, please describe.	Current Expiration Date	Current Limit	Current Retention	Current Premium	Current Carrier	Continuity Date	Loss Experience in prior 3 years? Yes/No If Yes, attach details
	Yes	No								
D&O and Private Company Liability										
Employment Practices Liability										
Fiduciary Liability										
Bankers Professional Liability									Retroactive Date:	
Insurance Company Liability										
netAdvantage Security & Privacy Liability									Retroactive Date:	
Employed Lawyers Professional Liability										

Does the Applicant have a Risk Manager or Equivalent? Yes  No

Name of Risk Manager or Equivalent: \_\_\_\_\_

**WE HAVE THE RIGHT TO ASK FOR THE FOLLOWING ADDITIONAL INFORMATION:**

1. Completed, Signed and Currently Dated Original Application.
2. Copy of the indemnification provisions of the Applicant's charter and by-laws.
3. Copy of the Applicant's Employee Handbook and Human Resources Manual.
4. Latest Applicant Financials (with Treasurers Warranty Letter if not audited.)
5. Mainform Application from current carrier (if applicable).
6. List of all direct and indirect Subsidiaries, include as to each the nature of business operation, percentage of ownership and whether such Subsidiaries are domestic or foreign.
7. List of all Directors and Officers of the Applicant and as to each provide any affiliations with other corporations.
8. Copy of Registration Statement(s).
9. For the Applicant's five largest Pension Plans (in terms of total assets), copies of the most recent Form 5500s with all attachments, including the latest CPA-audited financial statements (if applicable). If plans are exempt from audit, plan investment portfolios.
10. For each Applicant Plan whose assets at any time within twelve months prior to the inception date of this policy was comprised of 20% or more of securities of the Named Entity, the latest CPA-audited financial

statement (with investment portfolio), and complete copy of independent appraisal of employer securities, if applicable.

11. Written plan description and latest financial statement, if applicable, for any Applicant non-qualified plans.

12. (If applying for Bankers Professional Liability) All promotional materials and specimen contracts applicable for each Professional Service selected.

THE UNDERSIGNED AUTHORIZED OFFICER OF THE APPLICANT DECLARES THAT THE STATEMENTS SET FORTH HEREIN ARE TRUE. THE UNDERSIGNED AUTHORIZED OFFICER 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 (UNDERSIGNED) 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 AND/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 BE ATTACHED TO AND BECOME PART OF THE POLICY.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION, REGARDLESS OF WHETHER SUCH DOCUMENTS ARE ATTACHED TO THE POLICY, ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF.

THE INSURED REPRESENTS THAT THE INFORMATION FURNISHED IN THIS APPLICATION IS COMPLETE, TRUE AND CORRECT. ANY MISREPRESENTATION, OMISSION, CONCEALMENT OR INCORRECT STATEMENT OF A MATERIAL FACT, IN THIS APPLICATION OR OTHERWISE, SHALL BE GROUNDS FOR THE RESCISSION OF ANY BOND OR POLICY ISSUED.

**NOTICE TO 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 ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

**NOTICE TO ARKANSAS 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 AUTHORITIES.

**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 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 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 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 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 (365:15-1-10, 36 §3613.1).

**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 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.

Signed \_\_\_\_\_  
(Applicant)  
Date \_\_\_\_\_  
Title \_\_\_\_\_  
Corporation \_\_\_\_\_  
(Must be signed by Chairman of the Board or President) (Corporate Seal)

Attest \_\_\_\_\_  
Broker \_\_\_\_\_  
License Number \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_

Please read the following statement carefully and sign where indicated. If a policy is issued, this signed statement will be attached to the policy.

The undersigned authorized officer of the Applicant hereby acknowledges that he/she is aware that the limit of liability contained in this policy for all Coverage Sections shall be reduced, and may be completely exhausted, by the costs of legal defense and, in such event, the insurer shall not be liable for the costs of legal defense or for the amount of any judgment or settlement to the extent that such exceeds the limit of liability of this policy.

The undersigned authorized officer of the Applicant hereby acknowledges that he/she is aware that, with respect to all Coverage Sections, legal defense costs that are incurred shall be applied against the retention amount.

Signed \_\_\_\_\_  
(Applicant)  
Date \_\_\_\_\_  
Title \_\_\_\_\_  
(Must be signed by Chairman of the Board or President)