



INSURANCE COMPANY PROFESSIONAL AND MANAGEMENT LIABILITY INSURANCE APPLICATION FORM

IF A POLICY IS ISSUED IT WILL BE ON A CLAIMS-MADE AND REPORTED BASIS

NOTICE: THE POLICY PROVIDES THAT THE LIMITS OF LIABILITY AVAILABLE TO PAY JUDGEMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENCE SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

SECTION A - GENERAL INFORMATION

- 1. Named Applicant:
2. Address of Named Applicant:
City: Domicile State: Zip Code:
3. Date Established: Years of Operation: Website Address:
4. Category of insurance company(ies), please check all that apply:
5. Describe the applicants Nature of Business:
6. How long has the company been under current management:
7. a) Does the Applicant own, operate, manage or control any captive insurance company...
b) Does any captive listed above conduct any third-party business...

SECTION B – POLICY COVERAGE DETAILS

1. What coverage is Applicant applying for?

<u>Coverage</u>	<u>Coverage Requested?</u>	<u>Limit of Liability</u>
Directors & Officers Liability	Y/ N	\$
Insurance Company Professional Liability	Y/ N	\$
Employment Practices Liability	Y/ N	\$
Fiduciary Liability	Y/ N	\$
Aggregate Limit of Liability		\$

2. Effective Date Desired: _____

3. Current Coverage

<u>Coverage</u>	<u>Carrier</u>	<u>Limit of Liability</u>	<u>Deductible/ Retention</u>	<u>Premium</u>	<u>Period</u>	<u>Retro Date</u>
Directors & Officers Liability		\$	\$	\$		
Insurance Company Professional Liability		\$	\$	\$		
Employment Practices Liability		\$	\$	\$		
Fiduciary Liability		\$	\$	\$		

4. Has any insurer ever cancelled or non-renewed this type of coverage? Yes No

If Yes, please provide details on separate sheet.

SECTION C – CLAIMS INFORMATION

1. In respect of the coverage(s) being applied for, during the past 5 years has the Applicant, its subsidiaries, or any director, officer or employee of any Applicant received, been subject to or named in any claim(s), suit(s), investigation(s), proceeding(s), inquiry(ies), or action(s), including without limitation those for Bad Faith, with regards to:

Private Company Directors and Officers Liability	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Insurance Company Professional Liability	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Employment Practices Liability	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
Fiduciary Liability	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>

If "Yes", please attach full 5 year currently valued loss runs and attach a claims supplement for each claim, suit, investigation, proceeding, inquiry, or action.

2. Does the Applicant, its subsidiaries, or any director, officer or employee of any Applicant have knowledge or information of any actual or potential circumstance, situation, event, violation, or transaction, including without limitation those involving Bad Faith, that could reasonably be expected to give rise to a claim under the coverage(s) being applied for?

Yes No

If "Yes", please attach a full description of that knowledge and copies of that information.

3. During the past 7 years, has any policy of or application for similar insurance on the Applicant's behalf or any of its subsidiaries, directors, officers or employees of any Applicant or on behalf of any predecessors in business ever been declined, cancelled, or renewal refused? Yes No

If "Yes", please attach a full description of those circumstances, including the carriers involved, the types of coverage, and the basis for the position taken by the carrier.

SHOULD A POLICY BE ISSUED, IT IS AGREED THAT THERE SHALL BE NO COVERAGE for any claim(s), suit(s), investigation(s), action(s), proceeding(s), or inquiry(ies) in existence at the time this application is signed (including without limitation those listed in response to Question 1, 2 and 3 above) or for any claim(s), suit(s), investigation(s), action(s), proceeding(s), or inquiry(ies) arising therefrom.

SHOULD A POLICY BE ISSUED, IT IS AGREED THAT THERE SHALL BE NO COVERAGE for any claim(s), suit(s), investigation(s), action(s), proceeding(s), or inquiry(ies) arising from any knowledge or information of any actual or potential circumstance, situation, event, violation, or transaction that could reasonably be expected to give rise to a claim under the coverage(s) being applied for (including without limitation those listed in response to Question 1, 2 and 3 above).

SECTION D – FINANCIAL INFORMATION

1. Please provide the following financial information in respect of the Applicant and its Subsidiaries to be covered.

Information must be from within the last twenty-four (24) months.

<u>Based on Financial Statements Dated:</u>	<u>(Year/Month)</u>	<u>(Year/Month)</u>
Total Assets	\$	\$
Current Assets	\$	\$
Total Liabilities	\$	\$
Current Liabilities	\$	\$
Total Revenues/Contributions	\$	\$
<input type="checkbox"/> Net Income or <input type="checkbox"/> Net Loss	\$	\$
Long-Term Debt with Maturity Date within next 18 months	\$	\$
Cash flow from Operations	\$	\$
Combined Ratio	%	%
Gross Loss Ratio	%	%
Policy Holder Surplus	\$	\$

2. Name of the applicant's outside CPA/ accounting Firm: _____
3. Has the Applicant or any of its Subsidiaries changed auditors in the past year? Yes No
If "Yes", please attach complete details.

4. 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

If “Yes”, please attach complete details.

5. a) Please provide the name of the Applicants outside Actuarial Firm: _____

b) Date of the Applicants last actuarial report: _____

c) Which of the following is currently applicable to the Applicant:

- Claim Reserves are adequate
 Claim Reserve Redundancy of 10% or greater
 Claim Reserves are inadequate

6. Please provide the following information regarding the last three regulatory examinations or audits:

Date Completed	Name of Regulatory Agency	Period of Time Covered by Examination/ Audit	Type of Examination/ Audit

- a. What actions, recommendations or negative findings were taken against the Applicant:

- b. Have all recommendation, negative findings, if applicable been complied with? Yes No

- c. Did any such findings relate to claims handling or settlement practices or procedures of the Applicant? Yes No

- d. Has, or will within the next 12 months, the Applicant or any of its Subsidiaries ever received a “Cease and Desist”, Agreed Order of Rehabilitation or similar agreement or order from any regulatory agency or department of insurance or enter into any a written agreement with any regulatory agency regarding the operations of the Applicant or any of its Subsidiaries: Yes No

7. Does the Applicant have Internal Audit procedures? Yes No

8. Does the Applicant have a Compliance Department? Yes No

9. Does the Applicant have a Legal Department? Yes No

10. a) What is the Applicant’s current rating:

	<u>Current Rating</u>	<u>Financial Strength Effective Date</u>	<u>Outlook</u>
AM Best			
Demotech			
Other			

b) Has this rating changed in the past 24 months? _____

PLEASE ADDITIONALLY ATTACH COPIES OF MOST RECENT AUDITED FINANCIALS, CPA AUDIT NOTES, ACTUARIAL REPORT AND REGULATORY EXAMINATION

SECTION E – DIRECTORS AND OFFICERS INFORMATION

1. (a) Please provide a complete list of all Directors or Officers who are members of the Board of Directors (or equivalent governing body) of the Applicant and of its Subsidiaries by name and affiliation with other organizations. If included as an attachment herein, check here .
- (b) Please provide a complete list of all Officers of the Applicant and of its Subsidiaries who are not described in 1(a) above by name and affiliation with other organizations. If included as an attachment herein, check here .
- (c) Please provide and organisational chart, including Subsidiaries, showing the operating structure of the applicant. If included as an attachment herein, check here .

2. Is coverage to include all Subsidiaries listed? Yes No

If "Yes" include complete list of all Directors or Officers of each Subsidiary.

If "No" include complete list of all those Directors or Officers of each Subsidiary for which coverage is requested.

If included as an attachment herein, check here .

3. Has the Applicant or any of its Subsidiaries had any mergers, acquisitions or consolidations in the past twenty-four (24) months? Yes No

4. Are there any plans being for a merger, an acquisition of a consolidation of or by the Applicant or any of its Subsidiaries in the next twelve (12) months? Yes No

If "Yes", have these plans been approved by any of the following? Please check all that apply.

Board of Directors (or equivalent governing body) and Date of Approval: _____

Shareholders and Date of Approval: _____

5. Does the Applicant or any of its Subsidiaries anticipate any registration of securities under the Securities Act of 1933 (or any similar state or foreign rule or law) or any other offering of securities within the next twenty-four (24) months? Yes No

If "Yes" please attach complete details and submit offering materials if available, including the Offering Size and Use of Proceeds.

6. Does any Applicant engage in any securitizations? Yes No

If "Yes" please attach complete 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 securitizations service provider(s) and advisor(s) used etc.

7. Has the Applicant experienced changes to its Board of Directors or to key Executives over the past year? Yes No

If "Yes", please attach complete details.

8. (a) Does the Applicant have any of the following Committees? Please check all that apply:
 Audit Compensation Nominating
- (b) How often Does the Board meet to discuss financial results, loss experience, Investments and Coverages: _____
9. Does the Applicant's charter or by-laws contain indemnification provisions? Yes No
10. Does any Applicant provide services to its customers or clients for a fee or compensation? Yes No
11. (a) Total number of voting shareholders: _____
- (b) Total number of voting shares outstanding: _____
- (c) Total number of voting shares owned by its Directors and Officers (direct and beneficial): _____
- (d) Does any shareholder own five percent (5%) or more of the voting shares directly or beneficially? Yes No
- If "Yes" please designate name and percentage of holdings: _____*
- If included as an attachment herein, check here .*
12. Are any of the Applicant's securities or those of its Subsidiaries publicly traded or the subject of a "shelf registration?" Yes No
- Exchange(s): _____ Ticker Symbol(s): _____
13. Is any of the stock held by the Employee Stock Ownership Plan? Yes No
- If "Yes" what is the percentage? _____ % Is it leveraged? _____* Yes No
14. Does the Applicant of any of its Subsidiaries have a portion of its private company debt purchased by the public? Yes No
- If "Yes", please provide the amount: \$ _____ and the Debt Rating: _____*
15. Within the last twelve (12) months, has any Applicant had any private placement, or anticipate having any private placements or other offering of securities within the next 12 months? Yes No
- If "Yes", what is the amount of proceeds from the private placement? \$ _____*
17. Within the last twelve (12) months, has any Applicant had an offering of securities exempted pursuant to section 3(b) of the Securities Act of 1933? Yes No

SECTION F – INSURANCE COMPANY LIABILITY INFORMATION

1. Lines of Business written, please check all that apply:
- Property and Casualty Life, Accident and Health
- Reinsurance Other, describe: _____

2. Total Premium Volume:

	Last Year	Current Year
Direct Written Premium	\$	\$
Net Written Premium	\$	\$

3. Number of policies issued in the last 12 months: _____

4. List the five largest premium volume states and approximate Direct Written Premium for each state (based on last year):

State	Admitted	Direct Written Premium
	Y/N	\$
	Y/N	\$
	Y/N	\$
	Y/N	\$
	Y/N	\$

5. (a) Breakdown of business lines by Premium Volume:

<u>Commercial Lines</u>	%
Commercial Auto/ Trucking	
CGL/BOP. CMP/ Package	
Commercial Property	
Workers Compensation	
Professional Liability / Management Liability	
Other (please list) _____	
<u>Personal Lines</u>	
Auto	
Homeowners	
Other (please list) _____	
<u>Life, Accident & Health</u>	
Life (please specify) _____	
Accident and Health	
Other (please list) _____	
TOTAL Premium Volume	100%

(b) With regards to participation with Florida and Louisiana "Take Out" Programs, please provide the following with regards to any pending applications and any successful applications during the last 36 months

Year	Number of Policies Applied for	Actual Number Taken Out

None

6. Does the Applicant have written policies and procedures to protect against discriminatory or other illegal practices in underwriting and marketing its products? Yes No

If "No", please explain how the Applicant ensures compliance with applicable laws and protect itself against exposure potentially arising from its underwriting and marketing activities.

7. Reinsurance:

- (a) Please describe the structure of the reinsurance program(s) you currently have in place:

- (b) 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

- (c) Please provide names of principle treaty reinsurers of Applicant and their respective ratings:

<u>Principle Treaty Reinsurers of Applicant</u>	<u>Reinsurers' Ratings</u>	<u>Length of Relationship</u>

- (c) Does the Reinsurance program cover Extra Contractual Obligations? Yes No
If Yes, at what attachment point: _____

- (d) Do Reinsurers have any Claims handling involvement? Yes No

If 'Yes', please attach full details.

- (f) What is the maximum line on any one policy? \$ _____

- (g) What is the Net Retained line (after Reinsurance)? \$ _____

- (h) Does Applicant purchase Catastrophe Reinsurance in addition to the per risk reinsurance program(s)? Yes No

If 'Yes', please attach full details.

- (i) In the past 3 years has Applicant had any disputes with Reinsurers? Yes No

If 'Yes', please attach full details.

8. Claims Handling

- (a) Are the Applicants claims handling operations centralised? Yes No

If NO, please describe management and oversight: _____

(b) Claims handling personnel:

Position	Number of Personnel	Settlement Authority		
		Y / N	Maximum Amount	\$
Adjusters		Y / N	Maximum Amount	\$
Examiners		Y / N	Maximum Amount	\$
Managers		Y / N	Maximum Amount	\$
Officers		Y / N	Maximum Amount	\$
Other		Y / N	Maximum Amount	\$
TOTAL				

(c) Approximate total number of claims handled annually: _____

(d) Does the Applicant have procedures in place to ensure compliance with NAIC adopted deceptive claims handling models in relation to the Unfair Claims Settlement Practices Act Yes No

(e) Does the Applicant have written claims manual/guidelines for handling of policyholder claims? Yes No

(f) Does the Applicant perform internal audits of policyholder claims handling personnel? Yes No

(g) 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 _____%

(h) Do outside Firms/Adjusters have draft authority? Yes No

If yes, what level? _____

(i) Does the Applicant have a written claims manual/guidelines for Outside Firms/Adjusters? Yes No

(j) Does the Applicant conduct regular audits of Outside Firms/Adjusters? Yes No

If "Yes", how frequently are audits carried out? _____

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, including escalation process:

(b) Is a written directive for these procedures in effect? Yes No

If YES, how often are the reviewed: _____

If "Yes", please provide a copy.

- (c) Who is (are) the senior person(s) responsible (i.e.: senior claims department personnel, general counsel, etc) monitoring and assessing lawsuits of this nature?

<u>Name(s)</u>	<u>Title(s)</u>	<u>Department(s)</u>

- (d) Are outside legal professional utilised during the process for the above? Yes No

If YES, please provide the name of the Law Firm: _____

10. (a) Does the Applicant perform any of the following professional Services for non-policyholders?

Safety Inspections	Yes <input type="checkbox"/> No <input type="checkbox"/>
Safety Engineering	Yes <input type="checkbox"/> No <input type="checkbox"/>
Claims Adjusting	Yes <input type="checkbox"/> No <input type="checkbox"/>
Loss Control	Yes <input type="checkbox"/> No <input type="checkbox"/>
Personal Injury Rehabilitation	Yes <input type="checkbox"/> No <input type="checkbox"/>
Actuarial/Insurance Consulting	Yes <input type="checkbox"/> No <input type="checkbox"/>
Premium Financing	Yes <input type="checkbox"/> No <input type="checkbox"/>
Risk Management	Yes <input type="checkbox"/> No <input type="checkbox"/>
Other (please describe _____)	Yes <input type="checkbox"/> No <input type="checkbox"/>

- (b) How many safety engineering and inspection personnel does the Applicant employ? _____

- (c) How many safety engineering and loss control inspections are carried out annually? _____

- (d) Annual revenues for each of the last three (3) years: Current: \$ _____
 Last: \$ _____
 Previous: \$ _____

- (e) Percentage of services provided to non policyholders: _____%

- (f) Percentage of safety engineering and loss control services performed by Outside Services Providers _____%

- (g) Do engineering and loss control surveys contain disclaimers? Yes No

SECTION G – EMPLOYMENT PRACTICES INFORMATION

1. Please provide the following information regarding Employees, including Directors and Officers in respect of all entities to be considered for this insurance. Enter the TOTAL number of employees (by type) in the boxes below.

Full Time:	
Part Time:	
Seasonal:	
Leased:	
Independent Contractors	
Volunteers:	
Number located outside the United States:	
Number of Unionised workers:	

2. Please provide a geographical breakdown of Employees by location:

<u>State or Country</u>	<u>% of Employees</u>	<u>Number of Locations</u>
	%	
	%	
	%	
	%	
	%	

3. Please provide a breakdown of salary ranges, please include bonuses and commissions):

\$ 25,000 and less:	%
\$ 25,001 to \$ 50,000:	%
\$ 50,001 to \$ 100,000:	%
\$ 100,001 to \$ 200,000:	%
\$ 200,001 and above:	%

4. Please provide the following in respect of employee turnover for the past three years:

<u>Year</u>	<u># Involuntary Terminations</u>	<u># Voluntary Termination</u>	<u>Overall Turnover %</u>
20____			%
20____			%
20____			%

5. (a) Is the Applicant or any of its Subsidiaries currently undergoing or does the Applicant or any of its Subsidiaries contemplate undergoing during the next twelve (12) months any employee layoffs or early retirements (including ones resulting from any type of company restructuring or office, plant or store closing)? Yes No
If "Yes", please attach full details.
- (b) Have there been any structured layoffs in the past twenty-four (24) months? Yes No
 If "Yes", what percentage of employees? 1-10% 11-25% Over 25%
- (i) Did the Applicant or any of its Subsidiaries use Outside Counsel during the lay-off procedure? Yes No
- (ii) Were severance packages offered in exchange for releases not to sue and will they be offered for future lay-offs? Yes No
- (c) Please provide the number of lay-offs that have occurred or about to occur. _____
- (d) Does the Applicant or any of its Subsidiaries have procedures in place to assist terminated or laid off employees find work? Yes No

6. Human Resources

(a) Does the Applicant have a Human Resources or Personnel Department? Yes No
If not, how is this function performed: _____

(b) Does the Applicant have a human resources manual or equivalent written management guidelines? Yes No

If "Yes", does it address the following issues?

Legally prohibited Discrimination	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Sexual Harassment	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Compliance with the Americans with Disabilities Act	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Compliance with the 1991 Civil Rights Act	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Compliance with the Family Medical Leave Act	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Employee disciplinary actions	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Terminations, layoffs and early retirements	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Employee appraisals/reviews	Yes <input type="checkbox"/>	No <input type="checkbox"/>

For all "No" answers, how are these issues handled and by whom? Please attach full details.

Has Legal Counsel reviewed the HR guidelines in the last 2 years? Yes No

(c) Do employees certify that they have reviewed the HR material and will comply with its Terms and Conditions? Yes No

(d) Do these staff members receive training in the proper implementation of your personnel policies and procedures? Yes No

(e) Does the Applicant provide annual written performance evaluations for all Employees? Yes No

(f) Does the Applicant have an Employee Handbook? Yes No

If "Yes", is the Employment Handbook distributed to all employees or maintained on an Internet location informing employees of their employment rights?

Yes No

(g) Are employees required to sign acceptance of most recent Employee Handbook on an annual basis? Yes No

(h) Has the Applicant implemented and adopted anti-discrimination/harassment policies? Yes No

(i) Does the Applicant conduct employee training with regards to discriminations and harassment? Yes No

(j) Is there a formalized process in place for reporting complaints/harassment? Yes No

If "Yes", do employees know this action will not result in a retaliatory action? Yes No

(k) Are employment issues relating to terminations, discriminations, sexual harassment, layoffs, transfers or promotions handled by the Human Resources Department, Outside Counsel and/or the Legal Department? Yes No

If "Yes", please provide details.

If "No", please provide details on how these issues are handled.

SECTION H – FIDUCIARY LIABILITY INFORMATION

1. List of Plans for which coverage is requested:

<u>Full name of plan to be covered</u>	<u>Type of Plan (fill in all that apply)*</u>	<u>Does the plan invest in employer securities?</u>	<u>Total amount of plan assets</u>	<u>Number of Plan participants</u>	<u>Are all plan assets held in trust by a bank, registered investment company or insurance company?</u>	<u>Does the Plan hold or permit investment in collectibles?</u>
		Yes / No	\$ _____		Yes / No	Yes / No
		Yes / No	\$ _____		Yes / No	Yes / No
		Yes / No	\$ _____		Yes / No	Yes / No

*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.

(a) 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 it's 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 twenty-four(24) months, has there been, or in the next twelve (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

If "Yes", please attach complete details.

- d) 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

If "Yes", please attach complete details.

SECTION I – CLAIM REPORTING PROCEDURES

1. Within the Applicant and its Subsidiaries, where or to whom are lawsuits, administrative charges and demand letters reported?

- General Counsel
 Human Resources
 Risk Management
 Other

2. Does the Applicant have a mechanism in place for its operating companies to immediately report lawsuits, administrative charges and demand letters to corporate office of General Counsel, Human Resources or Risk Management? Yes No

3. Name of Risk Manager and/or General Counsel (or equivalent position) and number of years in current position:

Name: _____
 Title: _____
 Years in Current Position: _____
 Email Address: _____
 Phone Number: _____

SECTION J - Other Material Facts

Please declare any Material Facts on a separate sheet: None See Attached

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

The Applicant represents on behalf of all Proposed Insured after full investigation and inquiry that the statements set forth herein are true and include all material information.

The Applicant on behalf of all Proposed Insureds further represents that if the information supplied on this application changes between the date of this application and the inception date of the Policy, it will immediately notify us of such change. Signing of this application does not bind the Insurer to offer nor the Applicant to accept insurance, but it is agreed that this application shall be the basis of the insurance and will be attached and made a part of the Policy should a policy be issued.

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 COMPANY TO WHICH THIS APPLICATION IS SUBMITTED IN CONJUNCTION WITH THIS APPLICATION 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, NEW MEXICO AND WEST VIRGINIA 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 MARYLAND APPLICANTS: ANY PERSON WHO KNOWINGLY AND WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY AND 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 MINNESOTA APPLICANTS: A PERSON WHO FILES A CLAIM WITH INTENT TO DEFRAUD OR HELPS COMMIT A FRAUD AGAINST AN INSURER IS GUILTY OF A CRIME.

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 OREGON 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 MAY BE A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

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.

NOTICE TO VERMONT 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 MAY BE A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

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 Insured hereby acknowledges that he/she/it is aware that the limit of liability contained in this policy 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 the amount of any judgment or settlement to the extent that such exceeds the limit of liability of this policy.

The Insured hereby further acknowledges that he/she/it is aware that legal defense costs that are incurred shall be applied against the deductible amount.

Signed _____
(Applicant)

Date _____

Print Name and Title _____

Corporation _____

Broker _____

License Number _____

Broker's Address _____
