

BY COMPLETING THIS APPLICATION YOU ARE APPLYING FOR COVERAGE IN  
FEDERAL INSURANCE COMPANY

NOTICE: THE LIABILITY COVERAGE SECTIONS OF THIS POLICY PROVIDE 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 DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED, UNLESS OTHERWISE PROVIDED HEREIN, BY "DEFENSE COSTS," AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT. THE COVERAGE AFFORDED UNDER THIS POLICY DIFFERS IN SOME RESPECTS FROM THAT AFFORDED UNDER OTHER POLICIES. PLEASE READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.

APPLICATION INSTRUCTIONS

To obtain a quote for insurance, simply follow these four steps (for assistance, ask your agent or broker):

**Step 1** – Fill out the **General Information** application (**Application Section 1**).

**Step 2** – Fill out an application for each Coverage Section for which you would like a quote (**Application Sections 2-8**). These Application Sections follow Application **Section 1** in this booklet. When filling out the Application Sections, be sure to include all requested information and attachments.

**Step 3** – Fill out the **Summary Information** Application (**Application Section 9**). Be sure to sign this form on the last page.

**Step 4** – Tear out each Application Section that you filled out along the perforation, and give these to your agent or broker. He or she will then promptly submit them to Chubb.

The term "**Applicant**" means the Parent Corporation and all of its Subsidiaries, unless otherwise stated.

A. REQUESTED COVERAGE

1. The **Applicant** has completed Sections 1 and 9 of this Application and the corresponding Sections for the coverages listed below:

**Liability Coverage Sections:**

- Section 2: Directors and Officers Liability
- Section 3: Employment Practices Liability
- Section 4: Fiduciary Liability
- Section 5: Miscellaneous Professional Liability
- Section 6: Internet Liability

**Non-Liability Coverage Sections:**

- Section 7: Crime
- Section 8: Kidnap/Ransom and Extortion  
Workplace Violence Expense

**B. APPLICANT INFORMATION**

1. Name of **Applicant**: \_\_\_\_\_
2. Address: \_\_\_\_\_
3. City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_
4. State of incorporation: \_\_\_\_\_ Date established: \_\_\_\_\_
5. Web site address: \_\_\_\_\_
6. Executive officer authorized to receive notices and information regarding the proposed policy:  
Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Contact's e-mail address: \_\_\_\_\_ Phone: \_\_\_\_\_ Fax: \_\_\_\_\_
7. The primary SIC Code of the **Applicant**: \_\_\_\_\_
8. The nature of the **Applicant's** business: \_\_\_\_\_  
\_\_\_\_\_
9. If the **Applicant** is owned by another company, indicate the name and principal address of the other company:  
\_\_\_\_\_  
\_\_\_\_\_
10. Total revenues of the Company at the most recent year end: \_\_\_\_\_
11. Total assets of the Company at the most recent year end: \_\_\_\_\_
12. Total employees of the Company at the most recent year end: \_\_\_\_\_
13. In the next 12 months (or during the past 18 months) is the **Applicant** contemplating (or has the **Applicant** completed or been in the process of completing):
  - (a) Any actual or proposed merger, acquisition, or divestment?  Yes  No
  - (b) Any registration for a public offering or a private placement of securities?  Yes  No
  - (c) Any change in outside auditors?  Yes  No
  - (d) Any reorganization or arrangement with creditors under federal or state law?  Yes  No
  - (e) Any branch, location, facility, office, or subsidiary closings, consolidations or layoffs?  Yes  No

If the **Applicant** answered "Yes" to any part of Question 13, please attach an explanation, including the timing, the essential terms of the event, arrangement, or anticipated number of layoffs, and the surrounding circumstances in an attachment to this Application.

**Application Section 1  
General Information**

14. Does the **Applicant** perform any professional services for others for a fee?  Yes  No

If "Yes," please describe:

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15. Does the **Applicant** act as a general partner or partnership manager?  Yes  No

If "Yes," please describe:

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16. Does the **Applicant** participate in any joint ventures?  Yes  No

If "Yes," complete the following for each joint venture. Attach additional pages if necessary. (Receipt of this information by the Company does not mean that coverage will be afforded to the joint venture(s) identified.)

Name of joint venture(s): \_\_\_\_\_ Country of domicile: \_\_\_\_\_

Date established: \_\_\_\_\_ Percent of ownership by **Applicant**: \_\_\_\_\_

Nature of business: \_\_\_\_\_

17. Has the **Applicant** or any person proposed for coverage on this form been the subject of, or involved in, any of the following in the past five years?

	<u>Organization</u>	<u>Persons</u>
(a) Anti-trust, copyright or patent litigation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(b) Accusations or findings of guilt or liability for a breach of the Employee Retirement Income Security Act of 1974 (ERISA) or any similar law?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(c) 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
(d) Any other criminal actions?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(e) Any discriminatory practice, violation or litigation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(f) Any disciplinary action by any regulatory agency or association?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(g) Any action where a license was revoked or suspended?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

If the **Applicant** answered "Yes" to any of the above, attach a full description of the details.

**MISSOURI APPLICANTS/AGENTS: DO NOT ANSWER QUESTIONS 18 AND 19.**

18. Has the **Applicant** been declined, canceled or nonrenewed for any of the coverages for which they are applying? If "Yes," please attach an explanation.  Yes  No

19. Has the insurer for any such coverages listed above indicated an intent not to offer renewal terms to the **Applicant** for any of the coverages for which they are applying?  Yes  No

20. Has the **Applicant** given notice of any claim, circumstance or potential claim to any insurer under any of the coverages for which they are applying?  Yes  No

If "Yes," attach a full explanation of the claim, circumstance or potential claim.

**Application Section 2  
Directors and Officers Liability**

**A. NAME OF APPLICANT:** \_\_\_\_\_

1. Total number of: voting shareholders: \_\_\_\_\_ non-voting shareholders: \_\_\_\_\_

2. Total number of shares outstanding: \_\_\_\_\_

3. Please list all:

- Directors and officers and their respective percentage of voting shares owned (directly or beneficially); and
- Non-director and non-officer shareholders who directly or beneficially hold 5% or more of the common stock, and the percentage of shares owned by each (if none, so indicate):

Director or Officer shareholders	% of voting shares owned
Non-director or Non-officer shareholders	% of voting shares owned

4. Has the **Applicant** completed or agreed to complete in the past thirty-six (36) months, or does the **Applicant** plan to complete within the next twelve (12) months, a public debt or equity offering or private placement of debt or equity of securities?  Yes  No

If "Yes," please fill in the following information:

Effective date of offering	Type of offering	Amount of offering(s)	Price per share (if applicable)	Professionals used	Current status

**Please attach the following additional required underwriting information:**

- All applicable offering memoranda.

**Application Section 3  
Employment Practices Liability**

**A. NAME OF APPLICANT:** \_\_\_\_\_

1. Does the **Applicant**:
- (a) Distribute and document the receipt of its employee handbook to all employees?  Yes  No
  - (b) Have written procedures in place that are distributed to each employee if the **Applicant** does not have an employee handbook?  Yes  No
  - (c) Have written procedures in place that are distributed to each employee regarding:
    - (i) Employment-at-will;  Yes  No
    - (ii) EEO statement;  Yes  No
    - (iii) Progressive discipline;  Yes  No
    - (iv) Termination;  Yes  No
    - (v) Handling complaints of sexual harassment or discrimination?  Yes  No
  - (d) Use any tests to screen applicants or employees for continued employment or promotion?  Yes  No  
 If "Yes," please describe: \_\_\_\_\_
  - (e) Review all terminations with human resources and in-house or outside counsel?  Yes  No
  - (f) Have a full-time human resources manager or department?  Yes  No
  - (g) Have a manual of its human resources procedures?  Yes  No  
 If "Yes," please indicate the date it was last revised: \_\_\_\_\_
  - (h) Provide formal training for its supervisors in administering these procedures?  Yes  No
  - (i) Provide formal diversity or cultural sensitivity training for all of its employees?  Yes  No

2. Please complete the following information.

Number of Employees & Independent Contractors	Current Year	Previous Year
Full-time Employees		
Part-time Employees (include leased & seasonal)		
Leased Employees		
Independent Contractors		
	<b>Total:</b>	<b>Total:</b>

3. What percentage of the **Applicant's** employees are located in California? \_\_\_\_\_%

**Application Section 3  
Employment Practices Liability**

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4. State the **Applicant's** percentage of each:  
Annual employee turnover rate for: the past year: \_\_\_\_\_%    1 year previous: \_\_\_\_\_%    2 years previous: \_\_\_\_\_%  
Involuntary terminations occurring: the past year: \_\_\_\_\_%    1 year previous: \_\_\_\_\_%    2 years previous: \_\_\_\_\_%
5. Percentage of the **Applicant's** employees with salaries (including bonuses) greater than \$100,000: \_\_\_\_\_%
6. Is the **Applicant** a federal contractor?  Yes  No  
If "Yes," is the required Affirmative Action Plan in place?  Yes  No

**B. OPTIONAL THIRD-PARTY LIABILITY COVERAGE**  
**APPLICANT: Please complete this section only if requesting this coverage.**

1. Does the **Applicant** have established policies or procedures:
- (a) Outlining employee conduct when dealing with third parties, including non-discrimination and non-harassment statements?  Yes  No
- (b) For responding to complaints of harassment, discrimination or civil rights violations from third parties?  Yes  No
2. What percentage of the **Applicant's** employees work at customer locations or perform a majority of their functions off-site? \_\_\_\_\_%

**NOTICE: Please attach the following additional required information:**

- Employee handbook.
- Employment application form.
- Most recent EEO-1 and third-party policies and statements.

**Application Section 4  
Fiduciary Liability**

**A. NAME OF APPLICANT:** \_\_\_\_\_

1. Please complete the following information regarding the **Applicant's** employee benefits plan(s).

Plan name	Type of plan*	Plan assets (current year)	Plan assets (prior year)	Number of plan participants

\*Types of Plans:    Health and Welfare Plan = HWP                      Employee Stock Ownership Plan = ESOP  
                               Defined Contribution Plan = DCP                      Excess Benefit Plan or Top Hat Plan = EBP  
                               Defined Benefit Plan = DBP                                      Other--please explain: \_\_\_\_\_

2. Does the **Applicant**:

(a) Use an outside investment manager(s)?  Yes  No

If "Yes," please list the name and number of years engaged for each: \_\_\_\_\_

(b) Give any outside investment manager(s) discretionary control over the investing of some or all of the **Applicant's** plan assets?  Yes  No

(c) Handle any investment decisions in-house?  Yes  No

If "Yes," please describe: \_\_\_\_\_

(d) Have any outstanding delinquent contributions to any plans?  Yes  No

If "Yes," please explain: \_\_\_\_\_

3. In the past three (3) years, has the **Applicant** merged or terminated any plan(s)?  Yes  No

If "Yes," please explain and include the name of the insurer if benefits were secured by the purchase of annuities:

\_\_\_\_\_

4. Do each of the **Applicant's** plans conform to the standards of eligibility, participation, vesting and other provisions of ERISA?  Yes  No

If "No," please explain: \_\_\_\_\_

5. Have the **Applicant's** plans been reviewed to assure that there are no violations of any plan trust agreements, prohibited transactions or party-in-interest rules?  Yes  No

If "No," please explain: \_\_\_\_\_

6. Has there been any assessment of penalties against any plan in compliance with an IRS Closing Agreement Program (CAP) or any other similar program? If "Yes," please attach an explanation.  Yes  No

**NOTICE: Please attach the following additional required information:** Most recent Form 5500 for all plans.

**Application Section 5  
Miscellaneous Professional Liability**

**A. NAME OF APPLICANT:** \_\_\_\_\_

1. Does the **Applicant** desire an optional proposal including coverage for prior acts?  Yes  No  
 If "Yes," please enter the retroactive date requested: \_\_\_\_\_

2. Please complete the following information.

Description of services	Revenue two years previous	Revenue one year previous	Revenues as of current year end	Projected revenues for next year
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$

3. Please complete the following regarding any professional licenses or certifications of the **Applicant's** employees.

Names of all directors, officers and key employees	Professional qualifications, designations, licenses, or certifications	Number of years in practice	Number of years with Applicant

4. Please indicate the number of the **Applicant's** employees directly engaged in providing services to clients:  
 (a) Directors and officers: \_\_\_\_\_ (b) Technical employees: \_\_\_\_\_ (c) All other employees: \_\_\_\_\_

5. Please indicate the **Applicant's** three largest clients during the past three years.

Client's name	Services provided	Gross Revenue	Year(s)



**Application Section 5**  
**Miscellaneous Professional Liability**

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6. Does the **Applicant**:

- (a) Derive more than 50% of its total gross revenues from services provided to any governmental entities?  Yes  No
- (b) Require written service agreements with all clients?  Always  Sometimes  Never  
If so, please attach a sample.
- (c) Have its written service agreements reviewed by a law firm?  Always  Sometimes  Never
- (d) Describe services in a brochure or promotional material?  Yes  No  
If "Yes," please attach a sample of brochures and promotional material.
- (e) Subcontract work to others?  Yes  No  
If "Yes," please attach an explanation.
- (f) Have a formal procedure for handling client complaints?  Yes  No
- (g) Include alternative dispute resolution or mediation procedures in its service agreements as a means of resolving complaints?  Yes  No

**NOTICE: Please attach the following additional required information:**

- Samples of the most recent contract and service agreements used with clients (within the last year).
- Resumes of directors, officers and key employees, if the **Applicant** has been in business for less than 3 years.

**Application Section 6  
Internet Liability**

**A. NAME OF APPLICANT:** \_\_\_\_\_

1. Please complete the following information regarding the Internet site(s) for which coverage is sought.

Internet site (including URL)	Date site went on-line	Average page views per month	Percentage of annual revenue from site

(NOTE: If more than 50% of the **Applicant's** revenues are derived from its Internet sites for which coverage is sought, the **Applicant** must complete a Supplemental Application.)

2. Does the **Applicant** own a federally registered trademark in its domain name?  Yes  No  
 If "No," has the **Applicant** conducted a trademark search to determine whether the **Applicant's** domain name infringes a trademark held by a third party?  Yes  No
3. Does the **Applicant** have a written policy and procedure regarding the posting of content on its Internet site(s)?  Yes  No
4. Does the **Applicant** require review and approval of content by legal counsel prior to allowing such content to be posted on its Internet site(s)?  Yes  No
5. Does the **Applicant** have "take-down" procedures in place for removing from its Internet site(s) any content that infringes or potentially infringes copyrights held by third parties?  Yes  No

**B. OPTIONAL COVERAGE FOR OTHER COMMUNICATIONS INFORMATION**  
**APPLICANT: Please complete only if requesting this coverage.**

1. Does the **Applicant** desire coverage for the content of email originating from the **Applicant** or its employees?  Yes  No  
 If "Yes," please identify the domain name from which all such e-mail originates: \_\_\_\_\_
2. Does the **Applicant** have written guidelines regarding appropriate use of company email?  Yes  No
3. Does the **Applicant** desire coverage for any other publications or communications not identified above?  Yes  No  
 If "Yes," please attach copies, or attach a description of the publications or communications if copies are not available.

**Application Section 7  
Crime**

**A. NAME OF APPLICANT:** \_\_\_\_\_

1. Does the **Applicant**:

- (a) Allow the employees who reconcile the monthly bank statements to also sign checks, handle deposits or have access to check signing machines or signature plates?  Yes  No
- (b) Have procedures in place to verify the existence and ownership of all new vendors prior to adding them to the authorized master vendor list?  Yes  No
- (c) Allow the same individual who verifies the existence of vendors to also edit the authorized master vendor list?  Yes  No
- (d) Verify invoices against a corresponding purchase order, receiving report and the authorized master vendor list prior to issuing payment?  Yes  No

2. Does an independent CPA provide a Management Letter to the **Applicant**?  Yes  No

If "Yes," please attach the most recent copy and management's response to the letter.

3. How often does the **Applicant** perform a physical inventory check of stock and equipment? \_\_\_\_\_  
Who performs these reconciliations? \_\_\_\_\_

4. What is the maximum amount the **Applicant** holds or transports from any one location (If none, so state):

(a) Money: \$ \_\_\_\_\_ (b) Checks: \$ \_\_\_\_\_ (c) Negotiable securities: \$ \_\_\_\_\_

5. Please fully describe the services the **Applicant** provides for clients (including but not limited to accounting, payroll or purchasing functions): \_\_\_\_\_

**B. LOSS EXPERIENCE:**

**APPLICANT: This section must be completed for all coverages for which this Application 7 is made.**

1. List all employee theft, burglary, robbery, forgery or any other crime losses discovered by the **Applicant** in the past three years that would have been covered under the policy for which this Application is made. Itemize each loss separately: Check if none:

Date of loss(es)	Description of loss	Total amount of loss	Was the loss covered under another insurance policy? If so, please include the insurer's name.

**Application Section 8  
Kidnap/Ransom & Extortion  
Workplace Violence Expense**

**A. NAME OF APPLICANT:** \_\_\_\_\_

**B. KIDNAP/RANSOM & EXTORTION COVERAGE INFORMATION**  
**APPLICANT: Only complete this section if requesting this coverage.**

1. Please complete the following information regarding the foreign travel of the **Applicant's** employees:

Country	Number of trips per year	Average length of stay	Number of employees travelling

2. Describe the **Applicant's** security precautions taken for foreign travel: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**C. EMERGENCY POLITICAL REPATRIATION EXPENSE COVERAGE INFORMATION**  
**APPLICANT: Only complete this section if requesting this coverage.**

1. Describe the procedures the **Applicant** follows to warn and evacuate its employees from foreign locations:

Country	Number of Employees	Security Precautions

**Application Section 8  
Kidnap/Ransom & Extortion  
Workplace Violence Expense**

**D. WORKPLACE VIOLENCE EXPENSE COVERAGE INFORMATION**  
**APPLICANT: Only complete this section if requesting this coverage.**

1. Does the **Applicant**:

- (a) Have an Employee Assistance Program (EAP)?  Yes  No
- (b) Have a progressive discipline policy?  Yes  No
- (c) Have an employee complaint/grievance resolution procedure?  Yes  No
- (d) Have a customer complaint/grievance resolution procedure?  Yes  No
- (e) Have a written policy on workplace violence that is circulated to all employees?  Yes  No
- (f) Train supervisory and management employees to recognize, report and respond to potentially hostile employees or situations?  Yes  No
- (g) Have a process for performing background checks for potential employees?  Yes  No

If "Yes," please explain: \_\_\_\_\_

2. What security precautions does the **Applicant** have in place to limit access to its premises from hostile or volatile persons? \_\_\_\_\_

**E. LOSS EXPERIENCE:**  
**APPLICANT: This section must be completed for all coverages for which this Application Section 8 is made.**

1. List all workplace violence, kidnap/ransom and extortion losses discovered by the **Applicant** in the past three years that would have been covered under the policy for which this Application is made, itemizing each loss separately: Check if none:

Date of loss(es)	Description of loss	Total amount of loss	Was the loss covered under another insurance policy? If so, please include the insurer's name.

**A. IMPORTANT INFORMATION**

- The **Applicant's** submission of this Application does not obligate the Company to issue a policy.
- The **Applicant** will be advised if the Application for coverage is accepted.
- The **Applicant** authorizes the Company to make any inquiry in connection with this Application.

**B. FALSE INFORMATION**

**NOTICE TO ARKANSAS, MINNESOTA 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 OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD, WHICH IS A CRIME.

**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, MAINE AND VIRGINIA 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 FLORIDA APPLICANTS:** ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY EMPLOYER OR EMPLOYEE, INSURANCE COMPANY, OR SELF-INSURED PROGRAM, FILES A STATEMENT OF CLAIM CONTAINING ANY FALSE 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 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 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 CIVIL FINES AND CRIMINAL PENALTIES.

**NOTICE TO MARYLAND APPLICANTS:** ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE/SHE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

**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 OKLAHOMA APPLICANTS:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF ANY INSURANCE POLICY CONTAINING ANY FALSE INCOMPLETE 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.

### **C. MATERIAL CHANGE**

If there is any material change in the answers to the questions in this Application prior to the inception date of any policy that may be issued, the **Applicant** must notify the Company in writing and any outstanding quotation or binder may be modified or withdrawn.

**D. PRIOR INSURANCE, CONTINUITY OF COVERAGE AND PRIOR KNOWLEDGE  
(NOTICE: APPLICABLE TO THE LIABILITY COVERAGE SECTIONS ONLY)**

1. If the **Applicant** is applying for any Liability Coverage Sections for which the **Applicant** already has insurance coverage, the **Applicant** may wish to request continuity of coverage. If continuity of coverage is requested:
- Mark those coverages currently purchased on the chart on the following page (check all that apply):
  - Attach a copy of all prior applications with any prior insurers from which continuity of coverage is sought.

**IMPORTANT:** The Company will rely upon the declarations and statements contained in any prior application(s) and the **Applicant** understands and agrees that those declarations and statements will be incorporated into any Power Source policy issued by the Company.

Liability Coverage Sections	The Applicant currently purchases this coverage and continuity of coverage is requested:		Current limit of liability	Current insurer	If the Applicant would like a proposal for a larger limit of liability, please indicate new limit requested below
	Yes	No			
Directors & Officers Liability			\$		\$
Corporate (Entity) Liability			\$		\$
Employment Practices Liability			\$		\$
Third Party Liability			\$		\$
Fiduciary Liability			\$		\$
Miscellaneous Professional Liability			\$		\$
Internet Liability			\$		\$

The Applicant must complete Question 2, the "Prior Knowledge Statement" below:

- If the **Applicant** answered "No" to any Liability Coverages listed above; or
- If the **Applicant** is requesting larger limits as indicated above.

The Prior Knowledge Statement below applies to those coverage types for which no coverage is currently maintained; and any larger limits of liability requested.

2. **PRIOR KNOWLEDGE STATEMENT:** No person proposed for coverage is aware of any facts or circumstances which he or she has reason to suppose might give rise to a future claim that would fall within the scope of any of the proposed coverages for which the **Applicant** does not currently maintain insurance, or within any of the larger limits of liability sought by the **Applicant**, except: None  or



The **Applicant** understands and agrees that if 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. It is possible that future claims may be covered by the **Applicant's** existing insurance or may affect the coverage for which this Application is made. Therefore, any knowledge of facts or circumstances that may lead to future claims is important to report on this Application form.

**E. DECLARATION AND SIGNATURE**

The undersigned authorized representative of the person(s) and entity(ies) proposed for this insurance declares that such person(s) and entity(ies) understand that the Liability Coverage Sections of this insurance:

- (1) Apply only to "Claims" first made or deemed made during the "Policy Period" or any Extended Reporting Period;
- (2) Unless otherwise stated in any coverage section, that "Defense Costs" will reduce and may exhaust the applicable Limit(s) of Liability and the Company has no responsibility for that part of "Defense Costs" or damages that exceeds the Limit(s) of Liability; and
- (3) Provide that "Defense Costs" will be applied against any applicable deductible amount.

For the purposes of this Application, the undersigned authorized agent of the person(s) and entity(ies) proposed for this insurance declares that to the best of his or her knowledge and belief, after reasonable inquiry, the declarations and statements made in this Application, and any attachments or information submitted with this Application, are true and complete. Signing this Application does not bind the **Applicant** to accept insurance. The undersigned agrees that this Application and its attachments will be the basis of the policy should the Company issue a **Power Source** or any other policy providing one or more of the requested coverages and will be deemed to be attached to and will form a part of any such policy. The undersigned understands that the Company will have relied upon this Application and its attachments in issuing any policy.

This Application must be signed by the Chairman of the Board or President, acting as the authorized representative of the person(s) and entity(ies) proposed for this insurance.

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<b>Date</b>	<b>Signature</b>	<b>Title</b>
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**Produced By:** Agent's Name: \_\_\_\_\_ Agent's Signature: \_\_\_\_\_  
Agent License No.: \_\_\_\_\_

**Submitted By:** Agent's Name: \_\_\_\_\_ Agent's Signature: \_\_\_\_\_  
Agent License No.: \_\_\_\_\_