ExecutivePerils

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dba: Executive Perils Insurance Services

Application for Investment Advisor

1. Answer all questions. If the answer requires detail, please attach a separate sheet.

2. Application must be signed and dated by owner, partner or officer.

3. PLEASE READ CAREFULLY THE STATEMENTS AT THE END OF THIS APPLICATION.

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| **1. APPLICANT INFORMATION** | | |
| a. Full name of Applicant: | | |
| b. Principal business address: | | |
| c. Applicant has continuously been in business since: | | |
| d. Number of employees: Full time: | Part time:  Total: | Total |
| e. Proposed effective date: | Limits Desired: $ per claim / $ Agg. | |
| Deductible desired:$10,000 $20,000 Other (please specify)$ | | |
| 2. **APPLICANT OPERATIONS** | | |
| a. Is the applicant firm registered with the SEC as an investment advisor?  Yes  No  If “Yes”**,** please complete (i) and (ii) below:  (i) ADV number:  (ii) Date of approval | | |
| b. Number of portfolio managers: Number of other employees: | | |
| c. If a portfolio manager is not available, what is the procedure for: making decisions in his/her absence? | | |
| 1. (i) Does the applicant firm render investment advice tomutual funds, real estate investment trust, limited partnerships or private placements?  Yes  No   If Yes,please provide details: | | |
| (ii) Do you agree to notify the Carrier within sixty (60) days if services will beprovided to mutual funds, real estateinvestment trusts, limited partnerships or private placements?  Yes  No | | |

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| 1. Do you always use written contracts   (i) for Discretionary accounts? Yes  No (ii) for Non-Discretionary accounts?  Yes  No | | | | | | | | | |
| f. Does the applicant firm manage assets of related and/or affiliated companies?Yes No  If “Yes”   |  |  |  |  | | --- | --- | --- | --- | |  | Total assets Managed | Firm assets are managed for: |  | |  | $ |  |  | |  | $ |  |  | |  | $ |  |  | | | | | | | | | | |
| (Do not include these assets in question 2(g) below) | | | | | | | | | |
| g. ASSETS UNDER MANAGEMENT –Part I | | | | Asset Value of Largest | | Total Asset Value of All | Total Number  of Accounts | | |
| (a) Information on Discretionary **Accounts** at market value | | | | $ | | $ |  | | |
| ERISA Fiduciary Plans | | | | $ | | $ |  | | |
| Non-ERISA Pension and Employee Benefit Plan(s) | | | | $ | | $ |  | | |
| All other accounts | | | | **$** | | **$** |  | | |
| Total | | | | $ | | $ |  | | |
| g. ASSETS UNDER MANAGEMENT – Part II Total Number | | | | | | | | | |
| (b)Information on **Non-discretionary Accounts** at market  value: | | | | **$** | **$** | |  | | |
| ERISA Fiduciary Plan(s) | | | | $ | $ | |  | | |
| Non-ERISA Pension and Employee Benefit Plan(s) | | | | $ | $ | |  | | |
| All other accounts | | | | $ | $ | |  | | |
| Total | | | | **$** | **$** | |  | | |
|  | | | | | | | | | |
| (c) Assets under management 12 months ago: | | |  | |  | |  | | |
| Discretionary | | | $ | | $ | |  | | |
| Non-discretionary | | | $ | | $ | |  | | |
| Total | | | $ | | $ | |  | | |
| h Types of Investments-estimates in percentage terms (should equal 100%): | | | | | | | | | |
| Mutual | **%** | Options/Futures/CMOs/ Derivatives | | | | | | **%** |  |
| Domestic Equities | **%** | Foreign Securities | | | | | | **%** |  |
| U.S. Govt Securities | **%** | Real Estate, REITs, or R/E L.P.s | | | | | | **%** |  |
| Municipal Securities | **%** | Other limited partners | | | | | | **%** |  |
| Corporate Debt Securities | **%** | Other: | | | | | | **%** |  |

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| --- | --- | --- | --- |
| Accounts lost during the last 12 months: | Market value: $ | | Number of Accounts: |
| Reasons; | | | |
|  | | | |
| i. Revenues during the last 12 months (000’s): | | | |
| Discretionary/Non-discretionary asset management | | $ | |
| Fees for financial plans/consulting | | $ | |
| Commissions/fees from selling or distributing | | $ | |
| investment or other products | | $ | |
| Other please specify: | | $ | |
|  | |  | |
| j. Accounts lost during the last 12 months: | |  | |
| ( I) Total market value of accounts lost: | | $ | |
| (ii) Total number of accounts: | |  | |
|  | |  | |
| k. Please complete the following: | | | |
| Five largest accounts managed | | Market value of assets | |
|  | | $ | |
|  | | $ | |
|  | | $ | |
|  | | $ | |
|  | | $ | |
| l. What is the date of the last SEC inspection?  (Please provide a copy of the SEC inspection report and the firm’s response to the report, if any.) | | | |
| m. When the firm manages ERISA accounts, how does it ensure that it is in compliance with ERISA requirements? | | | |
| n. (i) How often do clients receive portfolio financial statements? | | | |
| (ii) How often are meetings held with clients? | | | |
| (iii) What is the firm’s policy for timely notification of discretionary client’s security transactions and changes in investment portfolio? | | | |
| o. Does the firm recommend investments in anything other than commonly traded securities? Yes  No | | | |
| If Yes**,** please describe area and state percentage of total of investment assets.; | | | |
| p. Does the applicant firm maintain an “approved” list of securities?  Yes  No | | | |
| If “Yes, how are exceptions handled? | | | |
| q. Is the applicant firm currently involved in or planning any mergers, acquisitions, consolidations or have they beeninvolved in any mergers, acquisitions, consolidations during the last five (5) years? | | | |
| If “Yes”, please explain | | | |

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| **3. APPLICANT HISTORY** | | | | | |
| a. If Investment Advisor Liability Insurance, Directors and Officers Liability Insurance and/or Fidelity Bond Coverage is presently carried, state the following | | | | | |
|  |  | Directors & Officers Liability |  | Fidelity Bond Coverage | |
| Insurer |  |  |  |  |  |
| Policy Limit |  |  |  |  |  |
| Deductible |  |  |  |  |  |
| Policy Period |  |  |  |  |  |
| Annual Premium |  |  |  |  |  |
|  |  |  |  |  |  |
| Please provide a copy of the Declarations page from your most recent Investment Advisors E&O Policy. | | | | | |
|  | | | | | |
| b. Do you maintain ERISA bond coverage for all of your client plans where required by Section 412(a) of. ERISA?: Yes  No | | | | | |
| c. Have all claims (as defined by the policy) known to the applicant been reported to the Company  Yes  No If “No”, please provide details for each claim | | | | | |
| d. Has any similar insurance applied for on behalf of the applicant been declined canceled or renewal  refused?  Yes  No  If Yes, please describe reasons: | | | | | |
| 4. **ADDITIONAL INFORMATION** | | | | | |
| **Attached and made a part of this Application by reference are the following:** | | | | | |
| a. (i) ADV (Parts I and II and all schedules); | | | | | |
| (ii) Standard client contract for discretionary and non-discretionary accounts; | | | | | |
| (iii) Resumes of portfolio managers; | | | | | |
| (iv) latest annual financial statements (balance sheet and corresponding income statement); | | | | | |
| (v) Sales brochures; | | | | | |
| (vi) Information indicating overall portfolio performance over last three (3) years (or since inception if less than three years), with comparisons to appropriate benchmarks/notices. | | | | | |
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| b. The following officer is designated to give/receive notices to/from the Insurer as respects notice of cancellation, payment and return of premiums and payment of deductibles and other notices as required by the policy: | | | | |
|  | | | | |
|  | |  |  | |
| (Name) | | (Title) | (Entity) | |
| NOTICE TO APPLICANT: The coverage applied for is SOLELY AS STATED IN THE POLICY, which provides coverage on a “CLAIMS MADE” basis for ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD unless the extended reporting period option is exercised in accordance with the terms of the policy. | | | | |
| Any person, who knowingly defrauds any insurance company by filing an application for insurance containing any false information or concealing, for the purpose of misleading, information concerning any fact thereto commits a fraudulent insurance act, which is subject to criminal and civil penalties. | | | | |
| WARRANTY: I warrant to the Insurer, that I understand and accept the notice stated above and that the information contained herein is true and that it shall be the basis of the policy of insurance and deemed incorporated therein, should the Insurer evidence its acceptance of this application by issuance of a policy. **I authorize the release of claim information from any prior insurer to the Company** | | | | |
|  | | | | |
|  |  | | |  |
| Signature of Applicant | Chairman of the Board/Company President | | | Date |
|  | | | | |
| SIGNING this application does not bind the Applicant or the Insurer or the Underwriting Manager to complete the insurance, but one copy of this application will be attached to the policy, if issued. | | | | |