Atlantic Specialty Insurance Company
(Stock company owned by the OneBeacon Insurance Group)

PRIVATE COMPANY
MANAGEMENT LIABILITY RENEWAL APPLICATION

NOTICE: THE LIABILITY COVERAGE SECTIONS OF THE PRIVATE COMPANY MANAGEMENT LIABILITY POLICY PROVIDE CLAIMS MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD," OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE EXPENSES," AND "DEFENSE EXPENSES" WILL BE APPLIED AGAINST THE RETENTION AMOUNT. IN NO EVENT WILL THE UNDERWRITER BE LIABLE FOR "DEFENSE EXPENSES" OR OTHER "LOSS" IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY. READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.

APPLICATION INSTRUCTIONS

Whenever used in this Application, the term "**Applicant**" shall mean the organization identified in response to Question 1 of Section I General Information.

I. GENERAL INFORMATION

1. Name of **Applicant** _____
2. Address of **Applicant**: _____
   City: _____ State: _____ Zip Code: _____ Telephone: _____
   Website: _____

3. State of incorporation: _____ Date of incorporation: _____

4. Authorized individual (Executive Officer) to receive notices and information regarding the proposed coverage sections:
   Name: _____ Title: _____
   E-Mail Address: _____ Phone: _____ Fax: _____

5. Individual responsible for Human Resources or employment law matters:
   Name: _____ Title: _____
   E-Mail Address: _____ Phone: _____ Fax: _____

II. SPECIFIC INFORMATION

1. Please indicate below which coverages for which the **Applicant** seeks renewal.
   Note: The requested coverage is not automatically provided. The terms and conditions of the coverage section, if issued, will determine actual coverage.

Coverage Included	Limit of Liability Requested	Retention/Deductible Requested
☐ Directors and Officers Liability	$ _____	$ _____
☐ Employment Practices Liability	$ _____	$ _____
☐ Fiduciary Liability	$ _____	$ _____
☐ Crime	$ _____	$ _____

2. **Applicant** is a: ☐ Corporation
   ☐ Partnership
   ☐ Limited Liability Company
   ☐ Other (please describe): _____

3. Please complete the following information:
   (a) Revenues: Previous twelve (12) months: _____
   Projected next twelve (12) months: _____
   (b) Employees: Previous twelve (12) months: _____
   Projected next twelve (12) months: _____
   (c) Total Assets: _____

4. Has the **Applicant** in the past eighteen (18) months completed or agreed to, or does it contemplate during the next twelve (12) months, any of the following, whether or not such transactions were or will be completed:

   (a) Reorganization or arrangement with creditors under federal or state law? ☐ Yes ☐ No
   (b) Branch, location, facility, office, or subsidiary closings, consolidations or layoffs? ☐ Yes ☐ No
   (c) Mergers, acquisitions or divestitures? ☐ Yes ☐ No
   (d) Registration for a public or private offering of securities? ☐ Yes ☐ No
   (e) Issuance of any debt or non-taxable bonds? ☐ Yes ☐ No
   (f) Entering into any new government contracts? ☐ Yes ☐ No

   If "Yes" to any part of Question 4, please describe the essential terms of each such transaction as an attachment.

III. DIRECTORS AND OFFICERS LIABILITY INFORMATION
Complete if coverage is requested.

1. Please complete the following information:
   (a) Total number of common shareholders: _____
   (b) Total number of common shares outstanding: _____
   (c) Total number of common shares owned by officers: _____
   (d) Total number of shares owned by directors who are not officers: _____
   (e) If any shareholder owns 5% or more of shares, designate name and percentage:
   _____
   (f) Is any of the stock held by an Employee Stock Ownership Plan? ☐ Yes ☐ No

2. In the next twelve (12) months (or during the past twelve (12) months) is the **Applicant** contemplating (or has the **Applicant** completed) any public or private offering of securities or issuance of debt? ☐ Yes ☐ No
   If "Yes," please attach complete details.

3. Has the **Applicant** experienced changes to its Board of Directors or to its Key Executives over the past twelve (12) months? ☐Yes ☐No
   If "Yes," please attach complete details.

IV. EMPLOYMENT PRACTICES LIABLITY AND THIRD PARTY LIABILITY INFORMATION
Complete if coverage is requested.

1. Enter the TOTAL number of Employees (by type) in the boxes below for the **Applicant** and any of its **Subsidiaries**.
   Note: Seasonal, Temporary and Leased Employees are to be included as Part-Time Employees (Non-Union if Domestic).
   Number of Employees in ALL STATES/JURISDICTIONS:

	Domestic		Foreign
	Union	Non-Union	
Full Time			
Part Time			
Total Number of Independent Contractors			
Total Number of Volunteers:			

2. Enter the TOTAL number of Employees (by type) in the boxes below for the **Applicant** and any of its **Subsidiaries**.
Note: Seasonal, Temporary and Leased Employees are to be included as Part-Time Employees (Non-Union if Domestic).
Number of Employees located in CALIFORNIA ONLY:

	Domestic	
	Union	Non-Union
Full Time		
Part Time		
Total Number of Independent Contractors		
Total Number of Volunteers:		

3. Enter the TOTAL number of Employees (by type) in the boxes below for the **Applicant** and any of its **Subsidiaries**.
Note: Seasonal, Temporary and Leased Employees are to be included as Part-Time Employees (Non-Union if Domestic).
Number of Employees located in DC, FLORIDA, MICHIGAN & TEXAS ONLY:

	Domestic	
	Union	Non-Union
Full Time		
Part Time		
Total Number of Independent Contractors		
Total Number of Volunteers:		

4. In the last twelve (12) months, what has been the annual percentage of turnover rate of all employees (all locations)?
Voluntary _____ Involuntary _____

5. In the last twelve (12) months have there been any changes to the Human Resources or Personnel Department? ☐ Yes ☐ No
If "Yes", please attach complete details

6. In the last twelve (12) months have there been any changes to the employee handbook? ☐ Yes ☐ No
If "Yes", please attach a copy of the updated materials and a description of changes

V. FIDUCIARY LIABILITY COVERAGE INFORMATION

Complete if coverage is requested.

1. Please list the **Applicant**'s employee benefits plan(s) for which coverage is requested:

Plan names (Do not include health & welfare plans)	**Total assets** (market value)	**Type of plan***	**Under funded by more than 25%?** (DB only)	**Number of plan participants**

* Defined Contribution (DC), Defined Benefit (DB), Employee Stock Ownership (ESOP), Excess Benefit or Top Hat (EBP)

2. In the past twelve (12) months, has any plan(s) (or portion of a plan) been sold, transferred or terminated? ☐ Yes ☐ No
If "Yes," please attach details including transaction date, status of asset distribution, whether similar benefits are being offered, and name of insurance carrier if terminated plan benefits are secured by insurance.

VI. CRIME COVERAGE INFORMATION
Complete if coverage is requested.

1. Total number of employees of **Applicant** and its **Subsidiaries**: _____

2. Of the total employees listed above, how many employees handle, have access to or maintain records of money, securities or other property including, but not limited to, directors, officers, trustees and any person handling or having access to employee welfare or benefit plan assets? _____

3. Total number of locations of **Applicant** and its **Subsidiaries**: _____
   Domestic locations: _____ Foreign locations: _____ List Countries: _____

4. Were any material weaknesses or significant deficiencies in internal controls identified by your CPA firm or internal audit staff during the past twelve (12) months? ☐ N/A ☐ Yes ☐ No
   If "Yes," please include a description and corrective measures and implementation timeframe.

5. Does a second person review the reconciliation with supporting documentation on a monthly basis and initial their approval of the information? ☐ Yes ☐ No

6. Are all checks countersigned? ☐ Yes ☐ No
   (a) If there is no countersignature, who signs the **Applicant**'s checks? _____
   (b) Over what amount is a dual signature required? $_____

7. How often and by whom are physical inventory counts conducted? _____

8. Are background checks performed on vendors in order to determine ownership and financial capability prior to doing business with them? ☐ Yes ☐ No

VII. ATTACHMENTS

Please attach copies of the following documents for the **Applicant** and all **Subsidiaries** seeking coverage:

1. Last audited or accountant-prepared financial statement with notes;
2. Any amendments or revisions to the Bylaws and Certificate of Incorporation; and
3. Current list of all Directors and Officers by name, affiliation, and date of nomination.

VIII. FRAUD WARNINGS

Any person who knowingly and with intent to defraud any insurance company or another person, files an application for insurance containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, may be committing a fraudulent insurance act, which is a crime and subjects the person to criminal and civil penalties.

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 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 employer or employee, insurance company, or self-insured program, files a statement of claim or an application 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, NEW MEXICO AND RHODE ISLAND APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.
NOTICE TO MAINE, TENNESSEE, VIRGINIA AND WASHINGTON APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or a denial of insurance benefits.
NOTICE TO 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 OKLAHOMA APPLICANTS: 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.
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.

IX. DECLARATIONS AND SIGNATURES:

The undersigned, as authorized agent of all individuals and entities proposed for this insurance, declares that, to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this Application and any attachments or information submitted with this Application (together referred to as the "Application") are true and complete. The information in this Application is material to the risk accepted by the Underwriter. If a policy is issued it will be in reliance by the Underwriter upon the Application, and the Application will be the basis of the contract.

The information contained in and submitted with this Application is on file with the Underwriter and, along with the Application, will be considered physically attached to, part of, and incorporated into the policy, if issued. For North Carolina, Utah and Wisconsin **Applicants**, this Application and the materials submitted with it shall become part of the policy, if issued, if attached to the policy at issuance.

The Underwriter is authorized to make any inquiry in connection with this Application. The Underwriter's acceptance of this Application or the making of any subsequent inquiry does not bind the **Applicant** or the Underwriter to complete the insurance or issue a policy.

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

If the information in this Application materially changes prior to the effective date of the policy, the **Applicant** will immediately notify the Underwriter, and the Underwriter may modify or withdraw any quotation or agreement to bind insurance.

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.

Date Signature* Title

_____ _____ _____

Chief Executive Officer

*This Application must be signed by the chief executive officer of the **Applicant** acting as the authorized representative of the person(s) and entity(ies) proposed for this insurance.

RETURN COMPLETED APPLICATION PLUS ANY SUPPLEMENTS AND ATTACHMENTS TO YOUR INSURANCE AGENT OR BROKER.

Produced By:

Agent: _____ Agency: _____

Agency Taxpayer ID or SS No.:_____ Agent License No.: _____

Address _____

City: _____ State: _____ Zip Code: _____

Submitted By:

Agency: _____

Agency Taxpayer ID or SS No.:_____ Agent License No.: _____

Address _____

City: _____ State: _____ Zip Code: _____

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