



2. COMPLIANCE

- (a) At present, or in the last five (5) years, has there been any inspection or examination conducted of the Applicant by the SEC or any other government regulatory agency, or the NASD or any other self-regulatory organization?  
Yes \_\_\_\_ No \_\_\_\_  
If Yes, please submit copies of any letters received as a result of the inspection and a copy of management's responses to all letter(s) and comments received.
- (b) Does the Applicant have in-house counsel? Yes \_\_\_\_ No \_\_\_\_  
If Yes, please indicate the number of attorneys (full-time equivalents) and the years of investment industry experience of the most senior attorney: \_\_\_\_\_
- (c) Does the Applicant have a separate ERISA counsel? Yes \_\_\_\_ No \_\_\_\_  
If Yes, which firm is utilized? \_\_\_\_\_
- (d) Does the Applicant have an internal compliance department or designated employees responsible for monitoring investment and regulatory compliance? Yes \_\_\_\_ No \_\_\_\_  
If Yes, provide the number of years of investment compliance experience of the most senior compliance person: \_\_\_\_\_
- (e) Does the Applicant (or its parent or other affiliate) have an internal audit department?  
Yes \_\_\_\_ No \_\_\_\_  
If Yes, provide the number of employees (full-time equivalents) and the years of investment industry experience of the most senior person in the internal audit department:  
\_\_\_\_\_
- (f) How frequently are accounts reconciled with those of their custodian bank(s)? \_\_\_\_\_
- (g) How frequently are pricing sources tested to verify accuracy of portfolio market values? \_\_\_\_\_
- (h) Does the Applicant utilize any computer compliance programs which monitor transactions for investment and regulatory compliance? Yes \_\_\_\_ No \_\_\_\_  
If Yes, how long has the current system been in place and how often is it tested for accuracy?  
\_\_\_\_\_
- (i) Are all advertisements and promotional materials required to be reviewed by counsel prior to publication?  
Yes \_\_\_\_ No \_\_\_\_
- (j) Does the Applicant publish a periodic newsletter or report providing advise, commentary, or opinions directly or indirectly on any investments, trends, or macro-economical issues? Yes \_\_\_\_ No \_\_\_\_  
If Yes, are all such publications required to be reviewed by counsel prior to distribution? Yes \_\_\_\_ No \_\_\_\_

3. COVERAGE REQUESTED

- (a) Section I. Insuring Agreement: [Check all coverage sections for which insurance is desired and limit of liability requested per coverage section]

	Coverage	Limit of Liability
(i) Insuring Agreement (A): Investment Adviser Professional Liability	_____	\$ _____
(ii) Insuring Agreement (B): Mutual Fund Management Liability	_____	\$ _____
(iii) Insuring Agreement (C): Service Provider Professional Liability	_____	\$ _____
(iv) Insuring Agreement (D): Directors, Officers and Corporate Liability	_____	\$ _____
- (b) Aggregate Limit of Liability requested: \$ \_\_\_\_\_
- (c) Retention(s) Requested: \_\_\_\_\_

4. **POLICY PERIOD REQUESTED**

From \_\_\_\_\_ to \_\_\_\_\_ both days at 12:01 a.m. at the principal address of the Applicant.

5. **PRIOR EXPERIENCE**

- (a) Has the Applicant or any director, officer or other proposed **Insured** been involved in any of the following:
- (i) Civil or criminal action or administrative proceeding charging violation of a federal, state or foreign security law or regulation? Yes \_\_\_\_ No \_\_\_\_
  - (ii) Any other criminal actions? Yes \_\_\_\_ No \_\_\_\_
  - (iii) Representative actions, class actions or derivative suits? Yes \_\_\_\_ No \_\_\_\_
  - (iv) Investigation by the Securities and Exchange Commission, or similar state or foreign agency? Yes \_\_\_\_ No \_\_\_\_

If Yes to any of the questions in (a) above, attach details.

- (b) No **Claims** have been made against any person(s) or entities proposed for this insurance (including **Loss** payment and **Defense Costs**). If there are any exceptions, please attach complete details. If none, check here \_\_\_\_.
- (c) No person(s) or entity(ies) proposed for this insurance is cognizant of any fact, circumstance, situation, act, error, omission, or situation which he/she has reason to suppose might afford grounds for any **Claim** such as would fall within the scope of the proposed insurance. If there are any exceptions, attach complete details. If none, check here \_\_\_\_.
- (d) No person(s) or entity(ies) proposed for this insurance is cognizant of any inquiry, investigation or communication which he/she/it has reason to suppose might give rise to a **Claim** such as would fall within the scope of the proposed insurance. If there are any exceptions, please attach complete details. If none, check here \_\_\_\_.

It is agreed that if such knowledge exists, any **Claim** arising therefrom is excluded from the proposed insurance.

6. **PRIOR INSURANCE**

Coverage Type	Insurer	Limits	Retention	Policy Period
Errors and Omission Insurance				
Mutual Fund E&O/D&O Insurance				
Directors and Officers Insurance				
Fidelity Bond				
General Liability Insurance				

- (a) Have any of the Applicant's prior carriers indicated an intent not to offer renewal terms? Yes \_\_\_\_ No \_\_\_\_\_. If Yes, attach details.
- (b) Has the Applicant or any **Insured Individual** given written notice under the provisions of any prior or current insurance policy of specific facts or circumstances which might give rise to a **Claim** being made against any **Insured** for any proposed insurance hereunder? Yes \_\_\_\_ No \_\_\_\_\_. If yes, attach details.

- (c) Have any **Loss** payments been made on behalf of the proposed Applicant or any **Insured Individual** under any insurance policy or similar insurance for any proposed insurance hereunder? Yes \_\_\_No\_\_\_.  
If yes, attach details.

7. Please complete the attached Appendices for coverage consideration for Section I. Insuring Agreement A, B, C, and D (if Insuring Agreement is selected).

Appendix I: Insuring Agreement (A) Investment Adviser Professional Liability.

Appendix II: Insuring Agreement (B) Mutual Fund Management.

Appendix III: Insuring Agreement (C) Service Provider Professional Liability.

Appendix IV: Insuring Agreement (D) Directors, Officers and Corporate Liability Insurance.

Complete only those Appendices for which coverage is requested.

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 shall, 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 or authorizations or agreements to bind the insurance.

Signing of this Application does not bind the Applicant or the Insurer to complete the insurance contract, 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 (including any information provided in the attached Appendices) furnished to the Insurer in conjunction with this Application are hereby incorporated by reference into this Application and made a part hereof.

The undersigned authorized officer of the Applicant hereby acknowledges that:

1. This Policy applies to **Claims** first made or deemed made, during the **Policy Period** or Extended Reporting Period, if purchased, and
2. The Limit of Liability available to pay damages or settlements will be reduced, and may be completely exhausted, by the payment of **Defense Costs**, and in such event, the Insurer shall not be responsible for the continued **Defense Costs** or for the amount of any judgment or settlement to the extent that any of the foregoing exceed any applicable Limit of Liability.

**WARNING**

ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT S(HE) IS FACILITATING A FRAUD AGAINST THE INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.

**NOTICE TO ARKANSAS 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 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 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 MAINE APPLICANTS:** "IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS."

**NOTICE TO NEW JERSEY APPLICANTS:** "ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES."

**NOTICE TO 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 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 CLAIMS 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 CLAIMS CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD."

**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 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 INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS."

\_\_\_\_\_ By Applicant

\_\_\_\_\_ Title (President, CEO or CFO)

\_\_\_\_\_ Date

**Investment Management Insurance Application**  
**APPENDIX I**

*Complete this section should coverage be requested for  
Section I. Insuring Agreement (A): Investment Adviser Professional Liability Insurance*

1. As part of this Application, submit the following documents with respect to any **Insured** proposed for coverage under Insuring Agreement (A) Investment Adviser Professional Liability Insurance:
  - (a) List of all Applicants proposed for coverage under this insuring agreement(if more than Applicant listed);
  - (b) Complete Form ADV (Parts I and II and all supplements) as filed with the SEC;
  - (c) Information indicating overall portfolio performance for the past five years including comparative results to applicable industry benchmark indexes;
  - (d) Most recent audited financial statements of the adviser;
  - (e) Specimen management contracts for discretionary and non-discretionary accounts;
  - (f) Copies of any brochures or sales material.

2. Client Information

- (a) Total asset value of all accounts: Current year: \$ \_\_\_\_\_ Previous year: \$ \_\_\_\_\_
- (b) Asset value of largest account: \$ \_\_\_\_\_
- (c) Number of accounts lost during the last twelve (12) months and corresponding asset value:  
\$ \_\_\_\_\_
- (d) Reasons for loss of accounts: \_\_\_\_\_  
\_\_\_\_\_

3. Complete for all those accounts for which the Applicant acts as an Investment Adviser:

	No. of Accounts	Market Value
Non-High Net Worth Individual Accounts	_____	_____
High Net Worth Individual Accounts	_____	_____
Trusts	_____	_____
ERISA Plans	_____	_____
Taft-Hartley Plans	_____	_____
Non-ERISA Pension Plans	_____	_____
Corporate/Institutional	_____	_____

Partnerships	_____	_____
Mutual Funds	_____	_____
TOTAL	_____	_____

Total asset value of all discretionary accounts: \_\_\_\_\_

Total asset value of all non-discretionary accounts: \_\_\_\_\_

Does the Applicant manage private account assets of related and/or affiliated companies?

Yes \_\_\_\_ No \_\_\_\_ . If yes, state amount of total managed assets: \$ \_\_\_\_\_

Typical minimum asset size to start a new account: \_\_\_\_\_

4. State the percentage of investments in the following specialty areas:

Commodity/Futures _____%	Real estate _____%	Unregistered securities _____%
Private placements _____%	Options _____%	Direct placements _____%
Junk bonds _____%	Annuities _____%	Oil and gas joint ventures _____%
GICs/GACs _____%	Foreign securities _____%	Leveraged Accounts _____%

5. Can clients specify investment guidelines for their accounts? Yes \_\_\_\_ No \_\_\_\_

If Yes, are these incorporated into a written contract Yes \_\_\_\_ No \_\_\_\_

If No, how are these documented? \_\_\_\_\_

6. Does the Applicant require that all amendments to investment guidelines and restrictions for private account portfolios be documented in writing? Yes \_\_\_\_ No \_\_\_\_.

7. Are meetings held with private accounts at least once per year? Yes \_\_\_\_ No \_\_\_\_

If No, then how often?

8. Does the Applicant have procedures for decisions and executions when a portfolio manager is not available? Yes \_\_\_\_ No \_\_\_\_

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

9. Annual fees for investment advisory services: \$ \_\_\_\_\_

Other Income (annual) \$ \_\_\_\_\_

Explain sources of other income: \_\_\_\_\_

10. Describe how the Applicant protects itself from the liabilities of a previous investment adviser which it succeeds? (Hold harmless or Indemnification section in the investment advisory contract, etc.)

\_\_\_\_\_

11. How often are account statements or activity reports sent to clients?

Quarterly \_\_\_\_ Annually \_\_\_\_ Monthly \_\_\_\_ Other \_\_\_\_\_

12. Management Fees: How is the Investment Advisor compensated?

If percentage of assets under management, please provide brief description:



If on a fee basis, please provide a brief description:

If other, please provide a brief description:

13. Does the Applicant have an in-house broker dealer? Yes\_\_\_\_ No\_\_\_\_  
If Yes, can clients direct the use of an outside broker dealer for their own accounts? Yes\_\_\_\_ No\_\_\_\_
14. Other than during transitions, does the Applicant generally hold physical custody of any client funds?  
Yes\_\_\_\_ No\_\_\_\_. If Yes, please explain:

**Investment Management Insurance Application**

**APPENDIX II**

*Complete this section should coverage be requested for  
Section I. Insuring Agreement (B): Mutual Fund Management Liability*

1. As part of this Application, submit the following documents with respect to any **Insured** proposed for coverage under Insuring Agreement (B) Mutual Fund Management Liability:

- (a) List of all Applicants proposed for coverage under this insuring agreement;
- (b) Each Mutual Fund's latest prospectus;
- (c) Latest annual and quarterly report for each Mutual Fund; and
- (d) Statement of Additional Information for each Mutual Fund.

2. (a)

<u>NAME OF EACH FUND</u>	<u>TOTAL ASSETS CURRENT YEAR</u>	<u>TOTAL ASSETS PREVIOUS YEAR</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(b) Total current assets of all funds: \_\_\_\_\_

3. (a) Name of Advisers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(b) Name of sub-advisers (if any): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(c) Name of distributor: \_\_\_\_\_

(d) Name of bank or firm performing transfer agent services: \_\_\_\_\_  
\_\_\_\_\_

(e) Name of accountant to the Mutual Fund(s): \_\_\_\_\_  
\_\_\_\_\_

(f) Name of law firm acting as counsel: \_\_\_\_\_

\_\_\_\_\_

(g) Has there been any change firms in providing the services listed in (a) – (f) in the past twelve months?  
Yes \_\_\_\_ No \_\_\_\_.

If Yes, please give full details: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(h) Number of offices of the Mutual Funds: \_\_\_\_\_

4. (a) Have there been any changes or modifications in the investment restrictions or limitations of any Mutual Fund during the past two (2) years? Yes \_\_\_\_ No \_\_\_\_.

If Yes, please give full details: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(b) Have there been any material changes in the administrative operations or investment policies of any Mutual Fund during the past two (2) years? Yes \_\_\_\_ No \_\_\_\_.

If Yes, please give full details: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

5. Does any Mutual Fund utilize 12b-1 distribution plans? Yes \_\_\_\_ No \_\_\_\_ . If Yes, please state the name of the Mutual Fund and fee percentage: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

6. Do all Mutual Funds have board of directors consisting of a majority of Independent Directors?  
Yes \_\_\_\_ No \_\_\_\_.

If No, please state the name of the Mutual Fund and % if Independent Directors board representation: \_\_\_\_\_

\_\_\_\_\_

7. Has the attendance record of the Independent Directors of any Mutual Fund at the last twelve (12) months Board meetings been less than 75%? Yes \_\_\_\_ No \_\_\_\_.

If Yes, please state the name of the Mutual Fund(s): \_\_\_\_\_

\_\_\_\_\_

**Investment Management Insurance Application**  
**APPENDIX III**

*Complete this section should coverage be requested for  
Section I. Insuring Agreement (C): Service Provider Professional Liability*

---

1. As part of this Application, submit the following documents with respect to any **Insured** proposed for coverage under Insuring Agreement (C) Service Provider Professional Liability:
- (a) List of all Applicants proposed for coverage under this insuring agreement and type of service provided;
  - (b) For any Distributor:
    - (i) Most recent NASD letter following inspections and management response thereto; and
    - (ii) Specimen underwriting agreement with the Mutual Fund(s); and
  - (c) For any Transfer Agent:
    - (i) Form TA-2;
    - (ii) Most recent management letter, report on internal controls and all other communication from independent auditors relating to the operation of internal controls and management's responses thereto; and
    - (iii) Any SEC or state or SRO "deficiency" letter(s) following inspection(s) and management response(s) thereto.
2. With respect to any Distributor being proposed for coverage under this Insuring Agreement:
- (a) Is any Distributor being proposed for coverage under this insuring agreement?: Yes \_\_\_\_ No \_\_\_\_  
If no, please skip to question #3. If Yes, please provide name: \_\_\_\_\_  
\_\_\_\_\_
  - (b) Number of employees: \_\_\_\_\_
  - (c) Please provide average dollar value of transactions on a daily basis: \_\_\_\_\_
  - (d) Give number of notices, letters and complaints received in the past three years by the Applicant:  
\_\_\_\_\_  
How many were unsettled after sixty (60) days? \_\_\_\_\_  
Attach full details regarding any cases in the last five years involving monetary settlement in excess of \$10,000
  - (e) Describe measures the Distributor has instituted for verifying customers orders and determining that confirmations are accurate and received on time: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  - (f) Does the Distributor provide any services to any Mutual Funds other than funds sponsored by or affiliated with the Policyholder? Yes \_\_\_\_ No \_\_\_\_

3. With respect to any Transfer Agent being proposed for coverage under this Insuring Agreement

(a) Is any Transfer being proposed for coverage under this insuring agreement?: Yes \_\_\_ No \_\_\_.  
If no, please skip to question 4. below. If Yes, please provide name:

\_\_\_\_\_

(b) Number of employees: \_\_\_\_\_

(c) Please provide number of shareholders the Transfer Agent is responsible for: \_\_\_\_\_

(d) Give number of notices, letters and complaints received in the past three (3) years by the Applicant: \_\_\_\_\_

\_\_\_\_\_

How many were unsettled after sixty (60) days?

Attach full details regarding any cases in the last five (5) years involving monetary settlement in excess of \$10,000.

(e) Does the Transfer Agent provide any services to any Mutual Funds other than funds sponsored by or affiliated with the Policyholder? Yes \_\_\_ No \_\_\_.  
\_\_\_\_\_

4. With respect to any Administrator being proposed for coverage under this Insuring Agreement:

(a) Is any Administrator being proposed for coverage under this insuring agreement? Yes \_\_\_ No \_\_\_.  
If no, please skip to question 5. below. If Yes, please provide name:

\_\_\_\_\_

(b) Number of employees: \_\_\_\_\_

(c) Does the Distributor provide any services to any Mutual Funds other than funds sponsored by or affiliated with the Policyholder? Yes \_\_\_ No \_\_\_.  
\_\_\_\_\_

5. Has there been any previous professional liability coverage for any Distributor, Transfer Agent or Administrator? Yes \_\_\_ No \_\_\_. If Yes, please provide details: \_\_\_\_\_

\_\_\_\_\_

**Investment Management Insurance Application**  
**APPENDIX IV**

*Complete this section should coverage be requested for  
Section I. Insuring Agreement (D): Directors, Officers and Corporate Liability Insurance*

---

1. As part of this Application, submit the following documents with respect to any Applicant proposed for coverage under Insuring Agreement (D) Directors, Officers and Corporate Liability Insurance:
  - (a) Latest audited financial statement; and
  - (b) Complete list of the board of directors and their outside affiliations.
  
2. OWNERSHIP STRUCTURE
  - (a) Is the company publicly traded? Yes \_\_\_\_ No \_\_\_\_\_. If Yes, what is the ticker symbol? \_\_\_\_\_
  - (b) Number of shareholders: \_\_\_\_\_
  - (c) Number of shares outstanding: \_\_\_\_\_
  - (d) Total number of shares owned by its Directors (direct and beneficial): \_\_\_\_\_
  - (e) Total number of shares owned by its Officers (direct and beneficial) who are not Directors: \_\_\_\_\_  
\_\_\_\_\_
  - (f) Name and percentage of shares owned by shareholders directly or beneficially holding 5% or more of the common stock (if none, check here): \_\_\_\_\_  
\_\_\_\_\_
  - (g) If the proposed Applicant is owned by a parent company, indicate the name and principal address of the parent: \_\_\_\_\_
  - (h) Are there any other securities which are convertible to common stock? Yes \_\_\_\_ No \_\_\_\_\_.  
If Yes, attach details.
  - (i) Are any Applicant's securities publicly traded? Yes \_\_\_\_ No \_\_\_\_.
  
3. INSURED INDIVIDUALS
  - (a) Attach a complete list of all Directors and Officers of the Applicant by name and affiliation with other organizations.
  - (b) Attach a complete list of all other proposed **Insured Individuals** by name, title, responsibility and affiliation with other organizations.
  
4. Attach complete list of **Subsidiaries**, foundations and charitable trusts proposed for coverage, including their nature of business, date acquired or created and percentage of ownership by the **Parent Company**.

5. PAST TRANSACTIONS

Has the Applicant in the past 36 months completed or agreed to, or does it contemplate within the next 12 months, any of the following, whether or not such transactions were or will be completed?

- (a) Merger, acquisition or consolidation with another entity whose consolidated assets exceed 25% of the Applicant consolidated assets? Yes \_\_\_\_ No \_\_\_\_.
- (b) Sale, distribution or divestiture of any assets or stock other than in the ordinary course of business in an amount exceeding 25% of the Applicant's consolidated assets? Yes \_\_\_\_ No \_\_\_\_.
- (c) Any registration for a public offering or private placement of securities? Yes \_\_\_\_ No \_\_\_\_.
- (d) Any change in outside auditors? Yes \_\_\_\_ No \_\_\_\_.  
If yes to any of the questions in 5.(a), (b), (c) or (d) above, attach details.

6. PAST ACTIVITIES

- (a) Has the Applicant changed independent auditors in the past three (3) years? Yes \_\_\_\_ No \_\_\_\_.
- (b) Has the Applicant had any changes in the board of directors or senior management within the past three (3) years? Yes \_\_\_\_ No \_\_\_\_.
- (c) Has the Applicant or any director, officer or other proposed **Insured** been involved in any of the following: Anti-trust, copyright or patent litigation? Yes \_\_\_\_ No \_\_\_\_.

Civil or criminal action or administrative proceeding charging violation of a federal, state or foreign security law or regulation? Yes \_\_\_\_ No \_\_\_\_.

Any other criminal actions? Yes \_\_\_\_ No \_\_\_\_.

Representative actions, class actions or derivative suits? Yes \_\_\_\_ No \_\_\_\_.

Investigation by the Securities and Exchange Commission, or similar state or foreign agency?  
Yes \_\_\_\_ No \_\_\_\_.

If yes to any of the questions in 6.(a), (b) or (c) above, attach details.

Section I. Insuring Agreement (D): Outside Executive Liability Insurance

Please provide list of **Executive Officers** and the **Outside Entity** for which coverage is requested as per the below schedule

Executive Officer	Outside Entity	Business Type (i.e.: Corporation, Joint Venture, Partnership, etc.....)	Nature of Business	D&O Insurance (Carrier and Limit)

**Investment Management Insurance Application**  
**HEDGE FUND SUPPLEMENT**

*Complete this section if the Hedge Fund line is checked off  
in Question 1(e) of the Axis Investment Management Insurance Application*

- 
1. As part of this Application, submit the following documents with respect to any **Insured** proposed for coverage:
- (a) List of all Applicants proposed for coverage under this insuring agreement (if more than Applicant listed);
  - (b) Complete Form ADV (Parts I and II and all supplements) as filed with the SEC;
  - (c) Information indicating overall portfolio or funds performance for the past five years including comparative results to applicable industry benchmark indexes;
  - (d) Most recent audited financial statements of the adviser;
  - (e) Specimen management contracts for discretionary and non-discretionary accounts and fund subscription documents;
  - (f) Offering memorandums or private placement memorandums for all funds under management;
  - (g) Agreement of Limited Partnership, or other applicable organization document of the advisor;
  - (h) Copy of Compliance Manual and Code of Ethics; and
  - (i) Copies of any brochures, marketing, promotional or sales material.

2. List all Hedge Funds for which coverage is sought:

Legal name of Fund	Assets Under Management	Organizational Jurisdiction	Master/ Feeder



3. (a) On or about what date did the Advisor first register as an Advisor with the SEC?  
\_\_\_\_\_
- (b) Has the Advisor undergone an examination of any kind from any regulatory body?  
\_\_\_Yes \_\_\_No – If yes, indicate which regulatory body, and include copy of letters or other exam documentation.
4. Does any Hedge Fund the Advisor manages employ the use of leverage greater than a ratio of 2:1? \_\_\_Yes \_\_\_No – If yes, indicate the maximum leverage ratio allowable under the offering documents: \_\_\_\_\_
5. What is the name of the individual responsible for compliance at the Advisor, and how many years of compliance related experience does he/she have?  
\_\_\_\_\_
6. (a) Is there a “lock-up” period for investors in any Hedge Fund(s)? \_\_\_Yes \_\_\_No – If Yes, how long is the lock-up? \_\_\_\_\_
- (b) Generally, how long is the share redemption process? \_\_\_\_\_
7. Does the Advisor hold physical custody of any assets? \_\_\_Yes \_\_\_No – If yes, what is the name of the entity that acts as such custodian?  
\_\_\_\_\_
8. What dollar amount has the Advisor (or General Partner, or other comparable entity) invested in the Hedge Fund(s) that such Advisor manages? \_\_\_\_\_
9. Does the Hedge Fund have an incentive fee arrangement with the Advisor? \_\_\_Yes \_\_\_No – If yes, does such arrangement also use the “high watermark” method? \_\_\_Yes \_\_\_No. Further, is there a “hurdle rate” that must be met prior to triggering an incentive fee? \_\_\_Yes \_\_\_No
10. Is the Advisor pursuing/maintaining Directors & Officers Liability or Errors & Omissions Liability insurance solely because of the requirement of an investor client? \_\_\_Yes \_\_\_No – If yes, please provide details.
11. Does the Advisor, or any agent acting on its behalf, take an active role in trying to influence the management of the companies it invests in? \_\_\_Yes \_\_\_No – If yes, please provide details.