



**BY COMPLETING THIS APPLICATION YOU ARE APPLYING FOR COVERAGE WITH  
 EXECUTIVE RISK INDEMNITY INC. (THE "COMPANY")**

*(Not For Use In: AR, CO, DC, FL, KY, LA, ME, MD, MN, MO, NJ, NM, NY, OH, OK, OR, PA, TN, TX or VA  
 Surplus Lines Only In CT)*

**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 APPLICABLE 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. READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.**

1. Name of **Applicant**: \_\_\_\_\_

(The term "**Applicant**", as used in this Application, means the Parent Corporation and all of its Subsidiaries, unless otherwise stated.)

2. Address: \_\_\_\_\_

3. City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

4. Nature of the **Applicant's** business: \_\_\_\_\_

5. Indicate below the **Power Source** coverages for which the **Applicant** seeks renewal.

- |   |  |
|---|--|
| <input type="checkbox"/> Directors and Officers Liability     | <input type="checkbox"/> Crime                       |
| <input type="checkbox"/> Employment Practices Liability       | <input type="checkbox"/> Kidnap/Ransom and Extortion |
| <input type="checkbox"/> Fiduciary Liability                  | <input type="checkbox"/> Workplace Violence Expense  |
| <input type="checkbox"/> Miscellaneous Professional Liability |  |
| <input type="checkbox"/> Internet Liability                   |  |

6. Number of employees:

Total: \_\_\_\_\_ Total US: \_\_\_\_\_ Full Time: \_\_\_\_\_ Part Time: \_\_\_\_\_ In California: \_\_\_\_\_

7. **Applicant's** total revenues as of the most recent fiscal year end: \$ \_\_\_\_\_

8. **Applicant's** total assets as of the most recent fiscal year end: \$ \_\_\_\_\_

9. Cash flow from operations as of the most recent fiscal year end: \$ \_\_\_\_\_

10. Is the **Applicant** in compliance with all debt and /or loan covenants?  Yes  No  
 If the **Applicant** answered "No" to this question, please attach a full explanation.

11. In the next 12 months is the **Applicant** contemplating (or has the **Applicant** completed within the last year) any actual or proposed merger, acquisition, or divestment, any registration for a public offering or a private placement of securities, any location, facility or office closings, consolidations or layoffs or any reorganization or arrangement with creditors under federal or state law?  Yes  No

**If the Applicant answered "yes" to Question 11, please attach a full explanation.**



**I. DIRECTORS AND OFFICERS LIABILITY**

1. Over the past 12 months, has there been any change in the board of directors?  Yes  No  
 If the **Applicant** answered "Yes" to this question, please attach a list of the current board and outside affiliations.
  
2. Please list all non-director and non-officer shareholders who directly or beneficially hold common stock and the percentage owned by each ( if none, so indicate)  
  
 Non director or non officer shareholders: \_\_\_\_\_ % of voting shares owned: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
  
3. Has there been any change in the **Applicant's** ownership structure within the last twelve months?  Yes  No  
 If the **Applicant** answered "Yes" to this question, attach a full description of ownership structure.

**II. EMPLOYMENT PRACTICES LIABILITY**

1. Within the last year has the **Applicant** updated its employment practices handbook, or human resources policies and procedures or department?  Yes  No  
  
 If the **Applicant** answered "Yes" to this question, please attach a copy of updated materials and a description of changes.
  
2. Number of employees who have left the **Applicant** over the past 12 months:  
 Voluntary \_\_\_\_\_ Involuntary \_\_\_\_\_

**III. FIDUCIARY LIABILITY**

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

Pension Benefit Plan Name	Plan assets (current year)	Defined Contribution (DC) or Defined Benefit (DB)?	Underfunded by more than 25%?(DB only)	Number of plan participants

2. In the next 12 months is the **Applicant** contemplating (or has the **Applicant** completed within the last year) merging or terminating any plan(s)?  Yes  No  
 If "Yes," please explain \_\_\_\_\_  
 \_\_\_\_\_

**IV. CRIME**

1. Does the **Applicant**:
  - (a) Allow the employees who reconcile the monthly bank statements to also sign checks, handle deposits and 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) Verify invoices against a corresponding purchase order, receiving report and the authorized master vendor list prior to issuing payment?  Yes  No

2. How often does the **Applicant** perform a physical inventory check of stock and equipment?  
 \_\_\_\_\_

3. What is the limit above which the **Applicant** requires countersignature for their checks? \$ \_\_\_\_\_

**V. KIDNAP/RANSOM AND EXTORTION COVERAGE**

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

Countries	Annual # of trips	Average stay	# employees travelling

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

**VI. MATERIAL CHANGE**

If the answers in this Renewal Application change materially before the policy inception date, the **Applicant** must immediately notify the Company in writing, and any outstanding quotation may be modified or withdrawn.

**VII. NOTICES**

The **Applicant's** submission of this Renewal Application does not obligate the Company to issue, or the **Applicant** to purchase, a renewal policy. The **Applicant** hereby authorizes the Company to make any inquiry in connection with this Renewal Application.

**Fraud Notice to Applicants:** Any person who, for the purpose of misleading, submits an application for insurance or a statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material to such application or claim, may be guilty of a fraudulent insurance act, which may be a crime and also may subject such person to civil penalties.

**VIII. DECLARATION AND SIGNATURE**

The undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance declare to the best of their knowledge and belief, after reasonable inquiry, the statements made in this Renewal Application and any attachments or information submitted with this Renewal Application, are true and complete. This Renewal Application supplements the application(s) for the expiring policy, and those applications together with this Renewal Application and any information attached hereto will be the basis for, and become part of, a contract should a policy providing the requested coverage be issued and shall be deemed to be attached to and shall form a part of any such policy. The Company will have relied upon such applications, attachments, and such other information submitted therewith in issuing such policy.

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



**Chubb Group of Insurance Companies**  
 15 Mountain View Road  
 Warren, New Jersey 07059

**Power Source<sup>SM</sup>**  
 Renewal Application

This Renewal Application must be signed by the chief executive officer or chief financial officer of the Parent Corporation acting as the authorized representative of the person(s) and entity(ies) proposed for this insurance.

Date	Signature	Title
_____	_____	<u>Chief Executive Officer</u>
_____	_____	<u>Chief Financial Officer</u>

**IX. PLEASE ATTACH THE FOLLOWING REQUIRED INFORMATION:**

- Most recent CPA prepared financial statements
- Most recent CPA Letter to Management and management's response (If this Letter is not issued, so indicate)
- Most recent EEO-1 Report (Applicable to Employment Practices Liability coverage only)