

**NOTICE**

WITH RESPECT TO ALL COVERAGE PARTS, THE POLICY YOU ARE APPLYING FOR IS A CLAIMS-MADE POLICY, AND SUBJECT TO ITS PROVISIONS, APPLIES ONLY TO ANY CLAIM FIRST MADE DURING THE POLICY PERIOD. NO COVERAGE EXISTS FOR CLAIMS FIRST MADE AFTER THE END OF THE POLICY PERIOD UNLESS, AND TO THE EXTENT, THE EXTENDED REPORTING PERIOD APPLIES.

DEFENSE COSTS, AS WELL AS ANY LOSSES AS DEFINED IN EACH APPLICABLE COVERAGE PART, REDUCE THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTION. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

**INSTRUCTIONS FOR COMPLETING THIS APPLICATION**

Please read this application carefully. Complete and submit all requested information and attachments for those Coverage Parts you have checked (X) below. Note: All applicants must complete Part I and Part VI of this application. All information and all submitted materials shall be held in confidence.

Checking and providing information for Coverage Parts identified below is only part of an application for such insurance, and does not mean such coverage is bound. Only the policy, if any, will indicate which Coverage Parts are ultimately included in the policy.

The Applicant is applying for the following coverages and has completed Parts I, VI and the following sections of this application:

		# pages
<input type="checkbox"/> Directors & Officers Liability	Part II	1
<input type="checkbox"/> Entity Liability (Privately held Companies only)	Part II	incl
<input type="checkbox"/> Employment Practices Liability	Part III	2
<input type="checkbox"/> Fiduciary Liability	Part IV	1
<input type="checkbox"/> Miscellaneous Professional Liability	Part V	2
<b>TOTAL NUMBER OF APPLICATION PAGES:</b>		<b>All Parts (including Parts I and VI) 11</b>

**PART I – GENERAL QUESTIONS**

*To be completed by all applicants*

**I. GENERAL INFORMATION**

1. a. The Applicant to be named in Item 1 of the Declarations (the Named Insured):

\_\_\_\_\_

b. Street Address (no P.O. Box): \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
 Website Address: \_\_\_\_\_

**II. BACKGROUND INFORMATION**

1. Proposed effective date of coverage being applied for: \_\_\_\_\_

2. Officer designated to receive correspondence and notices from the Insurer:

Name: \_\_\_\_\_  
 Title: \_\_\_\_\_ E-mail: \_\_\_\_\_

Ownership:  Privately held  Publicly Traded  
 Business Type:  Joint Venture  Partnership  LLC  
 Corporation  Private Organization  Sole Proprietorship  
 Other

Years in Business: \_\_\_\_\_ SIC Code: \_\_\_\_\_

3. During the last 18 months, has the Applicant or any subsidiary been involved in any:
- a. merger, consolidation, acquisition, tender offer or divestment of stock? Yes  No
  - b. layoffs, staff reductions, facility closings, or senior management changes? Yes  No
  - c. material changes in the nature of operations? Yes  No
4. During the next 12 months:
- a. does the Applicant plan on transacting any mergers or acquisitions, where such merger or acquisition would involve more than 50% of the total assets of the Applicant? Yes  No
  - b. does the Applicant anticipate any changes in the nature or size of the Applicant's business? Yes  No

**III. FINANCIAL INFORMATION**

1. As of the most recent fiscal year-end, please provide the following Applicant information:
- a. Total Assets: \_\_\_\_\_
  - b. Total Equity: \_\_\_\_\_
  - c. Net Income: \_\_\_\_\_
2. Within the last 24 months, have the Applicant's outside auditors:
- a. stated that there are any weaknesses in the Applicant's system of internal controls? Yes  No
  - b. rendered a "going concern" opinion? Yes  No

**IV. EXPIRING COVERAGE INFORMATION**

1. Please complete the following for those coverages you currently have or previously had insurance coverage for:

Coverage	Y/N	Limit	Retention	Coverage Trigger Date *	Premium	Carrier	Expiration Date
D&O							
Entity Liability							
EPL							
Fiduciary Liability							
MPL							
General Liability							

\* Coverage Trigger Date means the "prior & pending litigation date", the "prior acts date" or "retroactive date" shown on the current policy declarations page..

**V. CLAIMS INFORMATION**

1. Has any claim or notice of potential claim been given to the carrier under any of the above coverages? Yes  No

If yes, please provide details: \_\_\_\_\_

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2. Has the carrier under any of the coverages listed above indicated an intent not to offer renewal terms? Yes  No
3. Within the last 3 years, has the Applicant, any subsidiary or any person associated with such entities for whom this insurance is being sought, been the subject of or involved in any claim, written demand, notice, proceeding or litigation alleging or involving:
- a. anti-trust, copyright or patent violation? Yes  No
  - b. violations of any federal or state securities laws or regulations? Yes  No
  - c. discriminatory practice violation or litigation? Yes  No
  - d. violation of the Employee Retirement Income Security Act of 1974, as amended, or any similar law? Yes  No
  - e. professional services? Yes  No
4. Within the last 3 years, has the Applicant, any subsidiary or any person associated with such entities for whom this insurance is being sought been the subject of disciplinary action by an regulatory agency or association? Yes  No
5. Within the last 3 years, has the Applicant, any subsidiary or any person associated with such entities for whom this insurance is being sought been the subject of action where a license was revoked or suspended? Yes  No

**NOTICE**

Providing information about a claim or potential claim in response to any question in any Part of this Application does not create coverage for such claim or potential claim. Applicant's failure to report to its current insurance company any claim made against it during the current policy term, or to report any act, omission or circumstance which applicant is aware of which may give rise to a claim, before the expiration of the current policy may create a lack of coverage.

**PART II – DIRECTORS & OFFICERS LIABILITY**

*To be completed only by those applicants seeking D&O Liability Coverage*

1. If an Applicant is privately held, or is an LLC, please complete the following:
- a. Total number of common shares outstanding: \_\_\_\_\_
  - b. Total number of common shareholders: \_\_\_\_\_
  - c. Total number of common shares owned by Directors & Officers of the Applicant. \_\_\_\_\_
2. Does any shareholder own (directly or beneficially) five (5) percent or more of the common shares outstanding? Yes  No
3. Within the last 18 months, has the Applicant transacted or attempted:
- a. a private debt or equity offering of securities? Yes  No
  - b. A public debt or equity offering of securities? Yes  No
4. Within the next 12 months, does the Applicant anticipate any:
- a. private debt or equity offering of securities? Yes  No
  - b. public debt or equity offering of securities? Yes  No

**Please attach the following for the Applicant:**

Most recent Notice of Annual Meeting to Shareholders	Complete ownership list
Current Indemnification provisions and by-laws	Complete list of Directors & Officers
Audited financial statement from the last two (2) years	

**PART III – EMPLOYMENT PRACTICES LIABILITY**

*To be completed only by those applicants seeking EPL Coverage*

1. Applicant Employee information:

- a. What is the Applicant's current total number of employees including full time, part time, loaned and/or leased, temporary or seasonal and participants in a union? \_\_\_\_\_
- b. How many are highly-compensated individuals? (\$75,000 or more per year) \_\_\_\_\_
- c. Of the current total, how many are in the following :
  - Texas \_\_\_\_\_
  - Florida \_\_\_\_\_
  - New York \_\_\_\_\_
  - California \_\_\_\_\_
  - District of Columbia \_\_\_\_\_
  - Outside the U.S. \_\_\_\_\_
- d. What was the Applicant's total number of employees:
  - 1 year ago? \_\_\_\_\_
  - 2 years ago? \_\_\_\_\_
- e. Percentage of employees that have turned over:
  - in the last year? \_\_\_\_\_
  - In the prior year? \_\_\_\_\_

2. During the last 3 years, has the Applicant been involved in any administrative proceeding before:

- a. the Equal Employment Opportunity Commission? Yes  No
- b. the U.S. Department of Labor including the Office of Federal Contract Compliance Programs (OFCCP)? Yes  No
- c. any state or local government agency whose purpose is to address employment-related claims? Yes  No

3. Does the Applicant have written guidelines or procedures for addressing human resource personnel management in the following areas:

- a. Hiring / interviewing? Yes  No
- b. Employee at will statement and employee contract disclaimer? Yes  No
- c. Discrimination? Yes  No
- d. Grievance and discipline policies and procedures? Yes  No
- e. Employment evaluations? Yes  No
- f. Accommodating the disabled? Yes  No

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3. (continued)
- g. Employee grievances or complaints? Yes  No
  - h. Sexual harassment? Yes  No
  - i. Workplace harassment? Yes  No
  - j. Use of Company electronic mail, voice mail and internet access? Yes  No
  - k. Employee termination? Yes  No
  - l. Orientation of all new employees? Yes  No
4. Does the Applicant conduct employee and supervisor training in the areas mentioned above? Yes  No
5. Does the Applicant distribute written guidelines or procedures to all employees? Yes  No
6. Does the Applicant ever perform any genetic testing or drug testing to screen personnel for employment or to promote or monitor employees? Yes  No
7. Does the Applicant use specific counsel for employment advice? Yes  No
8. Does the Applicant have a full-time human resource manager? Yes  No
9. Please provide the name and title of the individual responsible for the Applicant's human resource issues:
- Name: \_\_\_\_\_
- Title: \_\_\_\_\_
10. Have all management staff and officers of the Applicant or any subsidiary attended training and education programs on sexual harassment and discrimination within the last 18 months? Yes  No

**Please attach the following for the Applicant:**

Current employee handbook	Current Employment application form(s)
Employment termination procedures	Most recent EEOC-1 reports for consolidated Company headquarters and facilities over 250 employees

**PART IV – FIDUCIARY LIABILITY**

*To be completed only by those applicants seeking Fiduciary Liability Coverage  
(Single Employer Plans Only; multi-employer and/or union ERISA plans are not covered by this application)*

1. Please indicate the type of plans for which insurance is requested:

Type	Name of Plan(s)	Assets	Trustee	Plan Administrator
Total asset value of all plans:				

Types: DB = Defined Benefit                      DC = Defined Contribution                      P = Pension  
W = Welfare Benefit                                      E = ESOP    O = Other

2. Total number of participants (including retirees) enrolled in all plans: \_\_\_\_\_
3. Do all plans conform to the standards of eligibility, participation, vesting and other provisions of the employee Retirement Income Security Act of 1974 (ERISA) as amended or similar laws? Yes  No
4. Are the plans reviewed annually to assure there are no violations of any plan trust agreements, prohibited transactions or party-in-interest rules? Yes  No
5. Are any of the plans underfunded by more than 20%, or is the Applicant delinquent in contributing to any plan? Yes  No
6. Have any plans been terminated, suspended, merged, dissolved, or converted to a cash balance plan within the last 24 months? Yes  No
7. Does the Applicant plan on terminating, suspending, merging or dissolving any plans within the next 12 months? Yes  No
8. Are more than 10% of the assets of any plan (other than an ESOP) invested in any securities of or loan to the Applicant, or in any real estate? Yes  No
9. Are plan participants educated annually regarding investment alternatives? Yes  No

Please attach the following for the Applicant:

Most recent Form 5500	Actuarial report for each plan
CPA-audited report for each plan	

**PART V – MISCELLANEOUS PROFESSIONAL LIABILITY**

*To be completed only by those applicants seeking Professional Liability Coverage*

1. Please complete the following for the Applicant’s professional services for which insurance is requested:

Professional Services  (List each of the professional services the Applicant provides to others for a fee)  <i>The current year is</i>	Gross Revenues		
	Current year projected  20__	Last fiscal year	Projected next fiscal year
<b>TOTAL:</b>			

2. During the past 5 years, has any principal, partner, officer, director, professional employee or Independent contractor of the Applicant provided professional services to any entity in which the Applicant has any equity or managerial interest? Yes  No

3. Subcontracted work:  
 a. Does the Applicant subcontract any professional services to fulfill contracts or engagements for clients? Yes  No   
 If yes, complete the table below:

When sub-contractors are used for:	% of Projected current fiscal year gross revenues	Written Contract?	Insurance Required?	Applicant listed as additional insured?
Supplement to staff				
For a particular project				
Expertise				
Other				

4. Total number of employees that are:
- a. principals, partners, directors, officers: \_\_\_\_\_
  - b. professional service providers: \_\_\_\_\_
  - c. non-professional / clerical employees: \_\_\_\_\_
  - d. independent contractors performing professional services on behalf of the Applicant: \_\_\_\_\_



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5. Please provide the following information regarding your four (4) largest clients, determined by the amount of revenues generated to you for professional services performed for the past fiscal year,

Client:	Professional Services Performed	Revenues
1		
2		
3		
4		

6. Does the Applicant use a written contract or agreement with all clients? Yes  No   
 If yes, please attach a copy of the standard contract or agreement.
- a. Does an attorney review such contracts or agreements prior to use? Yes  No
- b. Does the standard contract or agreement contain a limitation of liability clause? Yes  No
7. Does the Applicant have a formalized training program for newly hired professional employees? Yes  No
8. Does the Applicant have client complaint resolution policies and procedures? Yes  No
9. Is the applicant owned by, controlled by, or affiliated with any other entity or does it maintain greater than 50% ownership in any other entity? Yes  No
10. Does anyone other than a principal have the authority to amend the standard contract or agreement for a particular engagement? Yes  No

**Please attach the following for the Applicant:**

Most recently completed 12 month audited financial statement	Brochures
Sample copy of contract/letter of engagement or work order	Resumes if company is in business less than 3 years

**PART VI**

To be completed by all applicants

<p>Place a check next to the boxes below where Applicant has current coverage in place either with CNA or with any other carrier:</p> <p><input type="checkbox"/> Directors and Officers Liability</p> <p><input type="checkbox"/> Employment Practices Liability</p> <p><input type="checkbox"/> Entity Liability (Privately held Companies only)</p> <p><input type="checkbox"/> Fiduciary Liability</p> <p><input type="checkbox"/> Professional Liability</p>	<p>Place a check next to the boxes below where Applicant has no current coverage in place:</p> <p><input type="checkbox"/> Directors and Officers Liability</p> <p><input type="checkbox"/> Employment Practices Liability</p> <p><input type="checkbox"/> Entity Liability (Privately held Companies only)</p> <p><input type="checkbox"/> Fiduciary Liability</p> <p><input type="checkbox"/> Professional Liability</p>
<p>The Warranty set forth below is inapplicable to those coverages checked above.</p>	<p>The Warranty set forth below applies only to those coverages checked above.</p>

**Warranty:** None of the individuals to be insured under any Coverage Part (the "Insured Persons") is responsible for or has knowledge of any wrongful act or fact, circumstance or situation which (s)he has reason to suppose might result in a future claim, except as follows:

- A. Exceptions to the Warranty: Yes  (Please attach details)
- B. No Exceptions: Please check here if there are no exceptions to the warranty

1. It is agreed by all concerned that if any of the Insured Persons is responsible for or has knowledge of any wrongful act, fact, circumstance, or situation which s(he) has reason to suppose might result in a future claim, whether or not described above, any claim subsequently emanating therefrom shall be excluded from coverage under the proposed insurance as to (i) such of the insured persons and (ii) the applicant, subsidiaries and the plan if such insured persons are executive officers. The responsibility or knowledge of any individual shall not be imputed to any other individual for the purposes of determining the availability of coverage.
2. It is declared that this application and any materials submitted or required (which shall be maintained on file by the Insurer and be deemed attached as if physically attached to the proposed Policy) are true and are the basis of the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.
3. The undersigned declares that to the best of his/her knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information from all of the Insured Persons to facilitate the proper and accurate completion of this application for the proposed Policy. Signing of this application does not bind the undersigned to purchase the insurance, but it is agreed that this application shall be the basis of the contract should a Policy be issued, and this application will be attached to and become part of such Policy. The undersigned agrees that if after the date of this application and prior to the effective date of any Policy based on this application, any occurrence, event or other circumstance should render any of the information contained in this application inaccurate or incomplete, then the undersigned shall notify the Insurer of such occurrence, event or circumstance and shall provide the Insurer with information that would complete, update or correct such information. Any outstanding quotations may be modified or withdrawn at the sole discretion of the Insurer.
4. The information requested in this application is for underwriting purposes only and does not constitute notice to the Insurer under any Policy of a claim or potential claim. All such notices must be submitted to the Insurer pursuant to the terms of the Policy, if and when issued.

The undersigned acknowledges that he or she is aware that defense costs reduce and may exhaust the applicable Limits of Liability. The Insurer is not liable for any loss (which includes defense costs) in excess of the applicable Limits of Liability.

**WARNING – ARKANSAS COLORADO, FLORIDA, HAWAII, KENTUCKY, LOUISIANA, NEW JERSEY,  
NEW YORK, MAINE, OHIO, OKLAHOMA, PENNSYLVANIA AND VIRGINIA RESIDENTS ONLY**

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 (for New York residents only: 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.) (For Colorado Residents only: 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.) (For Hawaii residents only: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.)

This application must be signed by the Chairman of the Board, Chief Executive Officer or by the President.

Signed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Corporation: \_\_\_\_\_  
Date: \_\_\_\_\_

Please submit this application, when completed, signed and dated, to:

## **ExecutivePerils**

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