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ACE Advantage®

APPLICATION FOR DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Please read carefully and check below all coverages you seek. Fully answer all questions and submit all requested information for each coverage you seek. All applicants must complete the General Information and the final section of this Application. Terms appearing in bold face in this Application are defined in the Policy and have the same meaning in this Application as in the Policy. This Application, including all materials submitted herewith, shall be held in confidence.

NOTE: The Insurance for which you are applying is written on a Claims made and reported basis; only Claims first made against the Insured and reported to the Company during the Policy Period are covered subject to the Policy provisions. The Policy will contain a defense within limits provision which means that Defense Costs will reduce the Limit of Liability and may exhaust the Limit completely. Should that occur, the Insured shall be liable for any further Defense Costs and any Loss.

1. a. The Company to be Named in Item 1 of the Declarations (the "Company"):

Street Address:

City: _____ State: _____ Zip Code: _____

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

(Name of Officer)

(Title)

2. Please provide the following information regarding current insurance coverage:

| Insurance | Carrier | Limits (in MMs) | Premium | Expiration Date |
|----------------------|---------|-----------------|---------|-----------------|
| D&O Liability | | | | |
| Crime/Fidelity | | | | |
| Employment Practices | | | | |
| Fiduciary Liability | | | | |

3. Is there any shareholder or group of affiliated shareholders who own 5% or more of the **Company's** outstanding common equity shares, directly or beneficially?
If "YES", attach full details. Yes No
4. Is the **Company** or any **Subsidiary** anticipating or contemplating any registration of debt or equity securities with the Securities and Exchange Commission or any merger, consolidation, acquisition, tender offer, divestiture or the sale of more than 10% of its total stock outstanding, during the next 12 months?
If "YES", attach full details. Yes No
5. During the last 12 months:
- a. Has the **Company** or any **Subsidiary** filed a registration statement with the Securities and Exchange Commission? Yes No
- b. Has the **Company** or any **Subsidiary** been involved in or publicly disclosed any actual, attempted or contemplated merger, consolidation, acquisition, tender offer, divestment or the sale of more than 10% of its total stock outstanding? Yes No
- c. Has the **Company** suspended its dividend payments or is it currently contemplating such suspension? Yes No
- If "YES" to any of the above, attach full details.
6. During the last 12 months, have the **Company's** outside auditors stated that there are any material weaknesses in the **Company's** system of internal controls?
If "YES", attach full details. Yes No
7. Has the **Company** changed auditors in the past three years?
If "YES", attach full details. Yes No
8. Has any director or officer of the **Company** or any **Subsidiary** signed a non-compete agreement with any outside corporation or other legal entity during the last five years?
If "YES", attach full details. Yes No
9. In the past three years, has any executive officer or member of the board of directors of the **Company** resigned or been forced to resign for reasons other than retirement, poor health or promotion?
If "YES", attach full details. Yes No
10. During the last three years, have any of the **Insureds** been involved in:
- a. any anti-trust, copyright or patent litigation? Yes No
- b. any civil, criminal or administrative proceeding charging a violation of any federal or state securities law or regulation? Yes No
- c. any other criminal proceeding? Yes No
- d. any representative actions, class actions or derivative suits? Yes No
- e. any other material litigation? Yes No

f. any claim or potential claim noticed under any directors' and officers' liability policy? Yes No

If "YES", attach full details.

11. **Missouri Residents are not required to answer this question.** Yes No
Has the current or any previous directors' and officers' liability insurer canceled or indicated an intent not to renew any directors' and officers' liability policy?
If "YES", attach full details.

12. Yes No
Is any person proposed for coverage aware of any fact or circumstance or any actual or alleged act, error or omission which he or she has reason to suppose might give rise to a future claim that would fall within the scope of the proposed coverage?
If "YES", attach full details.

It is agreed that if such fact or circumstance or actual or alleged act, error or omission exists, whether or not disclosed, any claim arising therefrom is excluded from the proposed coverage.

Please attach copies of the following with respect to the Company and Subsidiaries:

- Any notice of annual meeting to stockholders and proxy statements within the last twelve months,
- Any Form 13D, 10-K, 10-Q, 8-K or S-1 filed with the Securities and Exchange Commission within the last twelve months,
- Current indemnification provisions, the charter, and by-laws,
- Audited financial statements for the last three years,
- A schedule of all **Subsidiaries** to be insured under this policy, and
- List of directors of **Company**, including their principal business affiliations and the number of years each one has been a director of the **Company**.

If the Applicant is requesting coverage for outside position liability with a for-profit outside entity, please attach the following:

- The name and address of the outside entity,
- Any litigation pending during the last three years against any of the directors and officers of the outside entity, and
- If the outside entity is not publicly-traded, the outside entity's audited financial statements for the last three years.

TO BE COMPLETED BY ALL APPLICANTS

None of the **Insureds** 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:

If "NONE", Please check this box

It is agreed by all concerned that if any of the **Insured** 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 such **Claim** subsequently emanating therefrom shall be excluded from coverage under the proposed insurance.

This Application shall be maintained on file by the Insurer, shall be deemed attached as if physically attached to the proposed Policy and shall be considered as incorporated into and constituting a part of the proposed Policy.

The persons signing this Application declare that to the best of their knowledge the statements set forth herein and the information in the materials submitted herewith are true and correct and that reasonable efforts have been made to obtain sufficient information from all **Insureds** 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. 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.

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.

NOTICE TO ARKANSAS & LOUISIANA APPLICANTS: Any person who knowingly presents a false or fraudulent **Claim** for payment for 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 MARYLAND APPLICANTS: Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully 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 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 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 **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.

NOTICE TO OHIO APPLICANTS: Any person who, with the intent to defraud or knowing that he 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.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: 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 TENNESSEE 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.

NOTICE TO WASHINGTON APPLICANTS: It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purposes of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

NOTICE TO ALL APPLICANTS:

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON, FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS INFORMATION FOR THE PURPOSE OF MISLEADING, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

BY SIGNING THIS APPLICATION, THE APPLICANT WARRANTS TO THE COMPANY THAT ALL STATEMENTS MADE IN THIS APPLICATION ABOUT THE APPLICANT AND ITS OPERATIONS ARE TRUE AND COMPLETE, AND THAT NO MATERIAL FACTS HAVE BEEN MISSTATED IN THIS APPLICATION OR CONCEALED. COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. THE APPLICANT'S ACCEPTANCE OF THE COMPANY'S QUOTATION IS REQUIRED BEFORE THE APPLICANT MAY BE BOUND AND A POLICY ISSUED.

This portion of the application must be signed by the Chairman of the Board or by the President.

Signed: _____
Title: _____
Corporation: _____
Date: _____

A POLICY CANNOT BE ISSUED UNLESS THE APPLICATION IS PROPERLY SIGNED AND DATED.

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

ACE USA Professional Risk
D&O Division
140 Broadway
40th Floor
New York, NY 10005

FOR IOWA APPLICANTS ONLY:

Broker: _____

Address: _____

FOR MISSOURI RESIDENTS ONLY:

PLEASE ACKNOWLEDGE AND SIGN THE FOLLOWING DISCLOSURE TO YOUR APPLICATION FOR INSURANCE:

I UNDERSTAND AND ACKNOWLEDGE THAT THE ATTACHED POLICY CONTAINS A DEFENSE WITHIN LIMITS PROVISION WHICH MEANS THAT DEFENSE COSTS WILL REDUCE MY LIMITS OF INSURANCE AND MAY EXHAUST THEM COMPLETELY. SHOULD THAT OCCUR, I SHALL BE LIABLE FOR ANY FURTHER LEGAL DEFENSE COSTS AND DAMAGES.

Signed: _____
Title: _____
Corporation: _____
Date: _____