



- ACE American Insurance Company
- Illinois Union Insurance Company
- Westchester Fire Insurance Company
- Westchester Surplus Lines Insurance Company

ACE Advantage® Management Protection Fiduciary Liability Application

Instructions for completing this Application

Please read carefully and fully answer all questions and submit all requested information. 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.

NOTICE: THE POLICY PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.

IF A POLICY IS ISSUED, IT WILL BE ON A CLAIMS-MADE BASIS

GENERAL INFORMATION

1. Name and address of **Sponsor Company** to be named in Item 1 of the Declarations:

 Officer designated to receive correspondence and notices from the **Insurer**: _____
2. State of Incorporation: _____ Year of Incorporation: _____
3. Primary SIC Code and/or nature of operations: _____
4. Name and location (city) of outside law firm for benefits and **ERISA** litigation matters: _____

PLAN INFORMATION

1. List all plans for which coverage is requested:

<u>Full name of plans to be covered</u>	<u>Total assets (Market value)</u>	<u># of Participants</u>	<u>Qualified plan (Y/N)</u>	<u>Type of plan (W = welfare benefit) (DC = defined contribution) (DB = defined benefit) (O = other)</u>	<u>Does the plan invest in or provide options to invest in employer securities? (Y/N)</u>	<u>Is the plan a stock option plan? (Y/N)</u>

(List any additional plans on an attachment. If there is an attachment, check here .)

2. Are all plan assets managed by an external professional investment manager as defined in ERISA:
 Yes No

If "Yes":

- a. How often is the investment manager's performance reviewed? ____
- b. How often are the investment manager's guidelines for investment established and/or amended by the fiduciaries? ____

3. Is any plan(s) a multiemployer or multiple employer plan? Yes No

If "Yes," list such plans on an attachment.

4. Does any plan(s) employ the investment, actuarial, legal, administrative or benefits consulting services of any outside provider(s)? Yes No

If "Yes," indicate on an attachment the name(s) of the organization(s), the service(s) they provide and the plan(s) for which services are provided.

5. Does any plan(s) hold any contract with a guaranteed return, including Guaranteed Investment Contracts, Guaranteed Annuity Contracts or Bank Investment Contracts, with an insurer that is in receivership or undergoing rehabilitation or liquidation? Yes No

If "Yes," please attach complete details for each such plan, including plan name, name of contract provider, the market value of each contract and the date(s) the contract(s) expires.

6. Has any plan requested or contemplated filing a request for termination or been spun off (sold), transferred, or terminated? Yes No

If "Yes," attach the following information for such plan(s): date of transaction, whether assets have been fully distributed or reverted to a party other than the plan participants and name of annuity provider if benefits have been secured by annuities.

7. In the last 12 months has there been, or is there now under consideration, any merger, acquisition, restructuring or consolidation of or by the **Sponsor Company** or any of its **Subsidiaries** that has resulted in or may result in plan participants transferring to another plan, company or subsidiary?
 Yes No

If "Yes," attach complete details including copies of materials distributed to employees relating to such transfer(s), date or expected date of the transfer(s), and most recent financial statements for any created or acquired subsidiaries.

8. In the past two years, has there been any amendment(s) to any plan(s), or has any amendment been contemplated, that has resulted in or may result in any change or reduction of benefits, including but not limited to an increase in participants' share of costs? Yes No

If "Yes," attach a description of the amendment(s).

9. Solely with respect to any defined benefit plans:
- a. Are all defined benefit plans adequately funded in accordance with ERISA or any applicable similar common or statutory law of the United States, Canada or any state or other jurisdiction anywhere in the world, as attested to by an actuary? Yes No
 If "No," attach complete details.
 - b. Are there any overdue employer contributions for any plan, or has any plan requested or contemplated filing a request for a waiver of contributions? Yes No
 If "Yes," attach complete details including the plan name and the amount of any overdue employer contributions for each such plan.
 - c. For each defined benefit plan, in how many years will full funding be achieved?
 _____. (If additional space is needed, add as an attachment.)
10. Has any plan ever been converted to a cash balance plan or has a pension equity formula been employed in any Plan, or is any such conversion or formula under consideration? Yes No
 If "Yes," attach details including how the new formula was determined and to whom the new formula applies.
11. Do the plans conform to the standards of eligibility, participation, vesting, funding and other provisions of ERISA, and within the last 3 years, have the plans been reviewed to assure that there are no violations of prohibited transactions and party-in-interest rules? Yes No
 If "No," attach details.
12. Has any plan filed for an exemption from a prohibited transaction? Yes No
 If "Yes," attach filing and Department of Labor response.

CLAIM INFORMATION

1. Has there been, or is there now pending, any Claim(s) against any proposed Insured relating to any plan? Yes No
 If "Yes," attach details.
2. Does any proposed Insured have knowledge or information of (i) any act, error, omission, fact or circumstance which might give rise to a Claim under the proposed Policy, or (ii) any violation(s) of ERISA or any similar law to which a plan is subject? Yes No
 If "Yes," attach complete details.
3. Has there been or is there now pending any inquiry, investigation or communication which could give rise to a Claim under this Policy? Yes No
 If "Yes," attach complete details.

It is agreed that with respect to questions 1-3 above, if such Claim, knowledge, information, violation, inquiry, investigation, or communication exists, any Claim arising therefrom is excluded from the proposed coverage.

PRIOR INSURANCE

1. If there is fiduciary liability insurance currently in force with another insurer, please provide the following information for each policy. If no coverage is carried, check here .

<u>Insurer</u>	<u>Limits</u>	<u>Retention</u>	<u>Expiration Date</u>	<u>Premium</u>
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2. If there is ERISA fidelity bond coverage currently in force with another insurer, provide the following information for each bond. If no coverage is carried, check here .

<u>Insurer</u>	<u>Limits</u>	<u>Retention</u>	<u>Expiration Date</u>	<u>Premium</u>
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3. **Missouri applicants are not required to answer this question.**

Has any fidelity bond for any plan ever been refused, canceled or non-renewed? Yes No

If "Yes," attach complete details.

ADDITIONAL INFORMATION

Please attach copies of the following:

- For the five largest plans (in terms of total assets) and for any other plan that is designed to invest primarily in securities of the **Sponsor Company**, copies of the latest CPA-audited financial statements, with investment portfolios. (If plan assets are held in a master trust, submit master trust investment portfolio.);
- Copies of most recent 5500s for all plans to be insured;
- Written plan description(s) and latest financial statement(s), if applicable, for any non-qualified plan(s);
- For non-publicly traded companies, latest annual report and latest interim financial statements for the **Sponsor Company**;
- If a plan holds investments in privately held securities, then please submit the latest independent stock appraisal for the **Sponsor Company**;
- Written plan description and latest financials (if applicable) for any non-qualified plans.

* * *

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**.

FRAUD WARNING STATEMENTS

NOTICE TO ARKANSAS & LOUISIANA 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 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 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 OTHER 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 INSURER THAT ALL STATEMENTS MADE IN THIS APPLICATION ABOUT THE APPLICANT AND THE PLANS 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 INSURER'S QUOTATION IS REQUIRED BEFORE THE APPLICANT MAY BE BOUND AND A POLICY ISSUED.

The **Application** must be signed by a current fiduciary of the **Plans**.

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

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

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: _____