



MANAGEMENT LIABILITY INSURANCE EXISTING INSURED PROPOSAL FORM

CLAIMS MADE AND REPORTED WARNING FOR APPLICATION: This Proposal Form is for a Claims Made and Reported Policy, relating to claims made and reported against the Insureds during the Policy Period or any Extended Reporting Period that may apply.

- Complete the sections of this Proposal Form for each Coverage currently purchased from Maxum Casualty Insurance Company.
- Provide details to all "Yes" answers, when applicable, by attachment whether or not prior coverage was in place.

Whenever printed in this Proposal Form, the terms in quotations shall have the same meanings as indicated in the "Policy". This Proposal Form is to be completed with respect to the entire "Insured Entity". "Insured Entity" as used herein is defined to include the "Named Insured" and any "Subsidiaries".

Name of "Named Insured"

Primary Location Street Address _____
Suite

City _____
County _____
State _____
Zip Code

Website Address (if applicable) _____
Federal Employer Identification Number (FEIN)

Name and title of officer designated as agent of all "Insureds" to receive any and all notices from the "Insurer", including but not limited to complimentary Risk Management Services

E-mail Address _____
Telephone Number _____
Fax Number

The contact information provided will be used for internal purposes and will not be sold to any third party.

The mailing address is the same as the primary location. If not, provide mailing address:

Mailing Street Address _____
Suite

City _____
County _____
State _____
Zip Code

GENERAL INFORMATION

1. Has the "Insured Entity" entered into any new areas of business within the last 12 months? Yes No

2. Provide the following financial information with respect to the "Insured Entity":

Period Ending: / /

Total Assets: \$ _____

Shareholder Equity: \$ _____

Annual Revenues: \$ _____

Net Income / Loss: \$ _____

Cash Flow From Operations: \$ _____

3. Is the "Insured Entity" currently in violation of any debt covenants? Yes No
4. Do current liabilities exceed current assets? Yes No
5. Will more than 50% of the total long-term liabilities mature within the next 18 months? Yes No
6. Is the "Insured Entity" currently in bankruptcy? Yes No
7. Within the next 12 months:
- a. is the "Insured Entity" contemplating filing a petition for protection under the bankruptcy code? Yes No
 - b. does the "Insured Entity" anticipate raising funds by any venture capital, private placement or private offering of any equity or debt securities? Yes No
 - c. does the "Insured Entity" anticipate any public sale of equity or debt securities and/or the filing of any registration statement or similar disclosure for an offering or sale of securities? Yes No
 - d. does the "Insured Entity" anticipate any offering or sale of securities pursuant to Title III. Crowdfunding of the Jumpstart Our Business Startups Act of 2012? Yes No
 - e. does the "Insured Entity" anticipate any plant, facility, branch or office closings, or layoffs? Yes No
 - f. does the "Insured Entity" anticipate any consolidation, divestment, acquisition, tender offer or merger? Yes No
8. Within the last 12 months:
- a. has there been any change (resignations, departures, retirements, etc.) in the position of the Chairman of the Board, President, Chief Executive Officer, Chief Financial Officer, or Managing Partner (or equivalent position)? Yes No
 - b. has the "Insured Entity" raised funds by any venture capital, private placement or private offering of any equity or debt securities? Yes No
 - c. has the "Insured Entity" offered or sold to the public any equity or debt securities and/or filed any registration statement or similar disclosure for an offering or sale of securities? Yes No
 - d. has the "Insured Entity" offered or sold securities pursuant to Title III. Crowdfunding of the Jumpstart Our Business Startups Act of 2012? Yes No
 - e. has the "Insured Entity" conducted any plant, facility, branch or office closings, or layoffs? Yes No
 - f. has the "Insured Entity" conducted any consolidation, divestment, acquisition, tender offer or merger? Yes No
 - g. has there been any changes to the "Insured Entity's" nature of operations or Primary Standard Industrial Classification (SIC) Code, not previously reported to the "Insurer"? Yes No
 - h. has there been any changes to the locations and/or "Subsidiaries" of the "Insured Entity", not previously reported to the "Insurer"? Yes No

IF YES TO ANY PART OF QUESTIONS 1. THROUGH 8., PROVIDE DETAILS BY ATTACHMENT.

LOSS HISTORY INFORMATION

9. Within the last 12 months, has there been any change in the status of any claims, losses or circumstances reported to any other insurance carrier? Yes No

IF YES TO QUESTION 9. PROVIDE FULL DETAILS OF ANY CHANGES IN STATUS FOR ANY CLAIMS, LOSSES OR CIRCUMSTANCES, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION BY ATTACHMENT:

- | | | | |
|-----------------------------|--|---------------------|---------------------------|
| (a) Date "Claim" first made | (b) Claimant's Name | (c) Allegation | (d) Current Status |
| (e) Demand Amount | (f) Settlement (Indemnity) or Reserve Amount | (g) Attorney's Fees | (h) Remedial Action Taken |

DIRECTORS, OFFICERS AND CORPORATE LIABILITY SECTION

10. Total Number of Shares of Stock or Membership Units Outstanding:

Common Stock / Membership Units: _____ Preferred Stock: _____

11. Total number of common stock shareholders or membership unit holders: _____

12. Provide the following information regarding the "Insured Entity's" outstanding ownership, including individual and corporate names:

<u>Names of Security Holders Owning More Than 10 Percent of Total Outstanding Common Stock, Membership Units or Preferred Stock</u>	<u>Percent Owned</u>	<u>Voting Rights?</u>		<u>Representation on the Board of Directors?</u>	
_____	____%	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
_____	____%	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
_____	____%	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No

EMPLOYMENT PRACTICES LIABILITY INSURANCE SECTION

13. (a) Number of "Employees": Do not include Leased Employees or Independent Contractors in numbers below.

	<u>Full Time</u>	<u>Part Time</u>	<u>Seasonal and/or Temporary</u>	<u>Volunteers and/or Interns</u>	<u>Annual Turnover Rate</u>
Current Year:					
Last Year:					

(b) How many "Employees" does the "Insured Entity" employ in California? _____

(c) How many "Employees" does the "Insured Entity" employ outside of the U.S.? _____

(d) How many Leased Employees does the "Insured Entity" employ annually? _____

(e) How many Independent Contractors does the "Insured Entity" utilize annually? _____

14. What percentage of the "Insured Entity's" "Employees" currently earn more than \$100,000? _____%

FIDUCIARY LIABILITY SECTION

15. Provide the following information regarding any changes to or any newly created employee welfare benefit plan, employee pension benefit plan or pension plan, as defined by "ERISA", (hereinafter referred to as "Employee Benefit Plans") which the "Insured Entity" maintains or to which it contributes. If None, so state. None

<u>Name of Plan</u>	<u>Type of Plan*</u>	<u>Name of Plan Sponsor</u>	<u>Number of Plan Participants</u>	<u>Fair Market Value of Plan Assets (000's)</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Type of Plan: (DB) = Defined Benefit; (DC) = Defined Contribution; (ESOP) = Employee Stock Ownership Plan; (WB) = Health & Welfare Benefit; (MEP) = Multi-Employer Plan or Multiple Employer Plan; (O) = Other

16. Are there any overdue employer contributions for any plan, or has any plan requested or contemplated filing a request for a waiver of contributions?

If Yes, provide plan name and amount of overdue contributions by attachment.

Yes No

PRODUCER INFORMATION

Submitted by (Agency Name)

Dated

Agent's Name (Individual's Name)

Agent's License Number

PLEASE READ CAREFULLY

The undersigned, acting on behalf of all proposed "Insureds", declare that the statements set forth herein are true and correct and that thorough efforts have been made to obtain sufficient information from each "Insured" proposed for this insurance to facilitate the proper and accurate completion of this Proposal Form.

The undersigned agree that the particulars and statements contained in the Proposal Form and any material submitted herewith are their representations and are the basis of the insurance contract. The undersigned further agree that the Proposal Form and any material submitted herewith shall be considered attached to and a part of the "Policy". Any material submitted with the Proposal Form shall be maintained on file (either electronically or paper) with the "Insurer" and shall be deemed to be attached hereto as if physically attached.

It is further agreed that:

- if any significant change in the condition of the applicant is discovered between the date of this Proposal Form and the "Policy" inception date, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the "Insurer" immediately;
- the information contained in this Proposal Form shall not be used by the "Insureds" as notice as provided for in section VII. of the Common Policy Terms and Conditions Section of this "Policy";
- this Proposal Form has been completed as respects the entire "Insured Entity";
- the signing of this Proposal Form does not bind the undersigned to purchase the insurance.

Dated

President, Chief Executive Officer, Chief Financial Officer, or Managing Partner (Signature)

President, Chief Executive Officer, Chief Financial Officer, or Managing Partner (Print Name)

Title

Dated

Human Resources Manager, or equivalent position (Signature)

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

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 POLICY HOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICY HOLDER 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 NEW MEXICO, 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 APPLICANTS OF KENTUCKY: 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 APPLICANTS OF NEW JERSEY AND OKLAHOMA: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO MAINE, MASSACHUSETTS, TENNESSEE, VIRGINIA, AND WASHINGTON 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 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 APPLICANTS OF FLORIDA: 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 OF THE THIRD DEGREE.

NOTICE TO ALABAMA, ARKANSAS, DISTRICT OF COLUMBIA, LOUISIANA, AND RHODE ISLAND 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 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 MARYLAND AND ALL OTHER STATES APPLICANTS: ANY PERSON WHO KNOWINGLY OR WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY OR WILLFULLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

The Maxum Casualty Insurance Company Proposal Form, including any material submitted herewith, shall be held in strictest confidence.

Please submit this Proposal Form including appropriate documentation to:
Maxum Casualty Insurance Company, 3655 North Point Parkway, Suite 500, Alpharetta, GA 30005