

# Application for Private Company Directors, Officers, and Corporate Liability Coverage Section

## 1. GENERAL INFORMATION

Parent Company \_\_\_\_\_

Address \_\_\_\_\_

Limits Requested \_\_\_\_\_ Retention Requested \_\_\_\_\_

Policy Period Requested: From \_\_\_\_\_ To \_\_\_\_\_

Standard Industrial Classification Code (SIC) \_\_\_\_\_

Parent Company is a:  Corporation  Individual Proprietor  Partnership  Limited Liability Corporation

Nature of Operations \_\_\_\_\_

How many years has the Parent Company been in business? \_\_\_\_\_

Number of employees (including full and part-time employees) \_\_\_\_\_

Is the Parent Company publically held or a public reporting company under the Securities Exchange Act of 1934?  Yes  No

Has the Parent Company, in the past eighteen (18) months, been involved with any negotiated, attempted, or actual merger, acquisition or divestment that involved more than twenty-five percent (25%) of the total consolidated assests of the Parent Company?  Yes  No

Does the Parent Company contemplate transacting any mergers or acquisitions in the next twelve (12) months where such merger or acquisition would involve more than fifty percent (50%) of the total consolidated assets of the Parent Company?  Yes  No

If Yes, please provide details.

## 2. FINANCIAL INFORMATION

Describe the following financial information of the Parent Company for the most recent fiscal year-end:

- a. Total Assets \_\_\_\_\_
- b. Net Income (or net loss) \_\_\_\_\_
- c. Net Worth (shareholders equity) \_\_\_\_\_
- d. Total Long Term Debt \_\_\_\_\_
- e. Annual Revenue \_\_\_\_\_
- f. Current Assets \_\_\_\_\_
- g. Current Liabilities \_\_\_\_\_

Has any auditor rendered a "going concern" opinion for the financial statements of the Parent Company or any Subsidiaries?  Yes  No

If Yes, please provide details.

Is the **Parent Company** or any **Subsidiary** presently considering bankruptcy or financial reorganization or has the **Parent Company** or any **Subsidiary** filed bankruptcy or sought bankruptcy protection within the last five (5) years?  Yes  No  
If Yes, please provide details.

Has the **Parent Company** or any **Subsidiary** been in breach of any debt covenant, loan agreement, or contractual obligation within the last twelve (12) months?  Yes  No  
If Yes, please provide details.

### 3. DIRECTORS & OFFICERS AND COMPANY COVERAGE SECTION INFORMATION

Total number of voting shareholders \_\_\_\_\_

Total number of shares outstanding \_\_\_\_\_

Percent of voting shares owned by the **Parent Company's** directors and officers \_\_\_\_\_

Within the last eighteen (18) months has the **Parent Company** transacted or attempted a private debt or equity offering of securities?  Yes  No  
If Yes, please provide details.

Within the next eighteen (18) months does the **Parent Company** anticipate any:

a. Private debt or equity offering of securities?  Yes  No  
If Yes, please provide details.

b. Public debt or equity offering of securities?  Yes  No  
If Yes, please provide details.

Does the **Parent Company** act as a general partner in any partnership?  Yes  No  
If Yes, please provide details.

Does the **Parent Company** directly or indirectly conduct insurance or other financial institution business of any kind?  Yes  No  
If Yes, please provide details.

Do all shareholders that own ten percent (10%) or more of the voting shares, either directly or beneficially, have a representative on the board of directors?  Yes  No  
If Yes, please provide details.

### 4. PAST ACTIVITIES

Has the **Parent Company**, or any **Subsidiary** or any proposed **Insured Person** given written notice under the provisions of any prior or current Directors & Officers Liability policy or any similar insurance or endorsement of specific facts or circumstances which might give rise to a **Claim** being made against any **Insured**?  Yes  No  
If Yes, please provide details.

Have any **Loss** payments been made on behalf of any **Insured** under any Directors & Officers Liability policy or similar insurance or endorsement?  Yes  No  
If Yes, please provide details.

### 5. INSURANCE

Do you currently have Directors & Officers Liability insurance?  Yes  No

If Yes, please provide:

Insurer \_\_\_\_\_

Limit \_\_\_\_\_ Deductible \_\_\_\_\_

Annual Premium \_\_\_\_\_ Expiration Date \_\_\_\_\_

**6. PRIOR KNOWLEDGE/REPRESENTATION**

**IT IS IMPORTANT THAT YOU FILL IN THE BLANK IN THIS PARAGRAPH.** No **Insured** proposed for coverage is aware of any facts, circumstances, investigations or actions which he or she has reason to suppose might give rise to a future **Claim** that would fall within the scope of proposed coverage, except  **None**; or \_\_\_\_\_

**It is agreed that if such facts, circumstances, investigations or actions exist, whether or not disclosed, any Claim arising from them is excluded from this proposed coverage.**

**7. ADDITIONAL MATERIALS REQUESTED**

As part of this Application, please attach the following (where applicable):

- Complete, signed and dated original RLI application
- Most recent annual financial report, with CPA letter to management (if applicable)
- Prospectus or similar document for any debt offering or private placement
- Details regarding any **Claims** that have occurred within the last three (3) years
- List of all **Subsidiaries**, including: nature of operations, percentage of ownership, and whether such **Subsidiaries** are foreign or domestic
- Copy of the indemnification provisions included in the applicant’s charter and by-laws

**IMPORTANT INFORMATION**

The submitting of this Application does not obligate the Insurer to issue a coverage section. You will be advised if your Application for insurance is accepted.

**FALSE INFORMATION**

Any person who, knowingly and with the intent to defraud any insurance company or other person, files an Application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

**MATERIAL CHANGE**

Signing of this Application does not bind the **Parent Company** or the Insurer. If there is any material change in the answers to the questions prior to the Policy inception date the **Parent Company** will notify the Insurer in writing and any outstanding quotation or indication may be modified or withdrawn.

**DECLARATION AND SIGNATURE**

The undersigned declares that to the best of his or her knowledge and belief that the statements set forth herein are true. Although the signing of this Application does not bind the undersigned on behalf of the **Parent Company** or any other proposed **Insured** to effect insurance, the undersigned agrees that this Application and its attachments shall be the basis of the contract should a Policy be issued and shall be deemed attached to and shall form part of the Policy. The Insurer is hereby authorized to make any investigation and inquiry in connection with this Application that it deems necessary.

**Application must be signed by the Chairman of the Board, President or Chief Executive Officer.**

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Date	Signature	Title
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# Application for Fiduciary Liability Coverage Section



RLI Insurance Company  
Peoria, Illinois 61615

## 1. GENERAL INFORMATION

Parent Company \_\_\_\_\_

Address \_\_\_\_\_

State of Incorporation \_\_\_\_\_ Date Established \_\_\_\_\_

Nature of Business \_\_\_\_\_

Limits Requested \$ \_\_\_\_\_ Policy Period requested: from \_\_\_\_\_ to \_\_\_\_\_

Officer of the Parent Company designated to receive any and all notices from the Insurer or the Insurer's authorized representative(s) concerning this coverage: \_\_\_\_\_

## 2. EMPLOYEE BENEFIT PLAN(S) INFORMATION

Please list all plans for which coverage is desired:

Name of Plan

Current 5500's must be provided for all plans desiring coverage. If coverage is effected, **Insured Plans** will be specifically identified on the Fiduciary Liability Coverage Section Declarations.

## 3. PLAN MANAGEMENT AND OVERSIGHT

Do any of the plans employ the services of:

Service Provider	Yes	No	If Yes, Name	Years Engaged
Investment Manager				
Professional Actuarial Firm				
Outside Legal Counsel				
CPA Firm				

If the services of an investment manager are employed, does the investment manager have discretionary control over the investing of the total plan assets?  Yes  No

Are any investment decisions handled in-house?  Yes  No

**If Yes, please provide details.**

If the services of a professional actuarial firm are employed, has an actuary certified that the plans are adequately funded? **If No, please explain.**  Yes  No

**If Yes**, date of last actuarial assessment: \_\_\_\_\_

**If Yes**, did assessment contain qualifications? **If Yes**, please attach a copy of assessment.

#### 4. ERISA

Are there any outstanding delinquent contributions to any plans?  Yes  No

**If Yes, provide details.**

Is plan administration reviewed periodically to assure that there are no violations of any plan trust agreements, prohibited transactions or party-in-interest rules?  Yes  No  
**If No, please explain.**

Have you amended your plan(s) (if necessary) to comply with the Employee Retirement Income Security Act of 1974 (**ERISA**), including, but not limited to, standards of eligibility, participation and vesting?  Yes  No

**If No, please explain.**

Do you issue a report to all participants about the plan(s) performance annually?  Yes  No  
**If No, please explain.**

#### 5. PAST ACTIVITIES

In the past three (3) years, have there been any plan mergers or plan terminations?  Yes  No

**If Yes, please attach details including the name of the insurer if benefits were secured by the purchase of annuities.**

Has the Parent Company, any **Subsidiary**, any director, officer, **Fiduciary** or other proposed **Insured Person** been involved in any of the following:

accused, found guilty or held liable for a breach of **ERISA** or similar law?  Yes  No

civil or criminal action or administrative proceeding charging violation of a federal or state security law or regulation?  Yes  No

any other criminal actions?  Yes  No

representative actions, class actions or derivative suits?  Yes  No

**If Yes to any of these, attach details.**

#### 6. INSURANCE

Do you currently have fiduciary liability insurance?  Yes  No

**If Yes, please provide:**

Insurer: \_\_\_\_\_, Lmts.: \_\_\_\_\_, Ded.: \_\_\_\_\_,  
Prem.: \_\_\_\_\_, Exp.: \_\_\_\_\_

Has the Parent Company, any **Subsidiary** or any **Insured Person** given written notice under the provisions of any prior or current fiduciary liability coverage or similar insurance or endorsement of specific facts or circumstances which might give rise to a **Claim** being made against any **Insured**?  Yes  No  
**If Yes, attach details.**

Have any **Loss** Payments been made on behalf of any **Insured** under any fiduciary liability policy or similar insurance or endorsement?  Yes  No  
**If Yes, attach details.**

#### 7. PRIOR KNOWLEDGE/REPRESENTATIONS

**IT IS IMPORTANT THAT YOU FILL IN THE BLANK IN THIS PARAGRAPH.** No person proposed for coverage is aware of any facts or circumstances which he or she has reason to suppose might give rise to a future **Claim** that would fall within the scope of proposed coverage, except  None or \_\_\_\_\_

**It is agreed that if such facts or circumstances exist, whether or not disclosed, any Claim arising from them is excluded from this proposed coverage.**

## 8. ADDITIONAL MATERIALS NEEDED

As part of this Application, please attach the following (where applicable):

- A copy of the most recent IRS Form 5500, including Schedules A and B or IRS Form 5500-C (if applicable).
- A copy of the most recent audit report of any plan(s) proposed for coverage.
- A copy of the most recent actuarial report (if applicable).
- A copy of the most recent independent audit report of the Parent Company.

**Note: If a copy of the most recent independent audit report of the Parent Company is being submitted simultaneously with an Application for other coverages offered by the Insurer, it is not necessary to submit it with this Application. However, such documents will be considered as attaching hereto.**

### IMPORTANT INFORMATION

The submitting of this Application does not obligate the Insurer to issue a coverage section. You will be advised if your Application for coverage is accepted.

### FALSE INFORMATION

Any person who, knowingly and with the intent to defraud any insurance company or other person, files an Application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

### MATERIAL CHANGE

Signing of this Application does not bind the Parent Company or the Insurer. If there is any material change in the answers to the questions prior to the Policy inception date the Parent Company will notify the Insurer in writing and any outstanding quotation or indication may be modified or withdrawn.

### DECLARATION AND SIGNATURE

The undersigned declares that to the best of his or her knowledge and belief the statements set forth herein are true. Although the signing of this Application does not bind the undersigned on behalf of the Parent Company or its' **Insured Persons** to effect insurance, the undersigned agrees that this Application and its attachments shall be the basis of the contract should a Policy be issued and shall be deemed attached to and shall form part of the Policy. The Insurer is hereby authorized to make any investigation and inquiry in connection with this Application that it deems necessary.

**Application must be signed by the Plan Administrator.**

\_\_\_\_\_

Date

\_\_\_\_\_

(Plan Administrator)  
Signature

\_\_\_\_\_

Title

# Application for Employment Practices Liability Coverage Section

## 1. GENERAL INFORMATION

Parent Company \_\_\_\_\_

Address \_\_\_\_\_

State of Incorporation \_\_\_\_\_ Date Established \_\_\_\_\_ Yrs. Under Current Mgmt.: \_\_\_\_\_

Nature of Business \_\_\_\_\_

Limits Requested \$ \_\_\_\_\_ Policy Period requested: from \_\_\_\_\_ to \_\_\_\_\_

Officer of the Parent Company designated to receive any and all notices from the Insurer or the Insurer's authorized representative(s) concerning this coverage: \_\_\_\_\_

Parent Company is a:  Corporation  Individual Proprietor  Partnership  
 Other (Specify) \_\_\_\_\_

Coverage desired:  duty to defend  non-duty to defend

## 2. EMPLOYEES

Total number of **Employees**: Worldwide \_\_\_\_\_ U.S. \_\_\_\_\_  
California \_\_\_\_\_ Texas \_\_\_\_\_ Michigan \_\_\_\_\_  
Union \_\_\_\_\_ Non-Union \_\_\_\_\_

**Employees (including all locations and all directors and officers):**

Employees on Payroll*	Total Current Number	Total 12 Months Prior	Total 24 Months Prior	Anticipated 12 Months From Now
Full-time				
Part-time				
Temporary Workers				

\* Please include **Employees** of all **Subsidiaries** more than 50% owned, for which coverage is desired

# of full-time **Employees** by length of service: < than 5 years: \_\_\_\_\_; > than 5 years: \_\_\_\_\_;

# of **Employees** terminated or involuntarily laid off in: the past 12 mos.? \_\_\_\_\_; the past 24 mos.? \_\_\_\_\_;

# of **Employees** with total annual compensation greater than \$100,000? \_\_\_\_\_

	<u>Year</u>	<u>Percent Turnover</u>
Annual <b>Employee</b> turnover rate for each of the last 3 years:	_____	_____ %
	_____	_____ %
	_____	_____ %

**Additional Insureds:**

Is coverage desired for Leased Workers and/or Independent Contractors?

Yes  No

If Yes, please complete the following table and supply a schedule naming said individuals.

Desired Additional Insureds	Total Current Number	Total 12 Months Prior	Total 24 Months Prior	Anticipated 12 Months From Now
Leased Workers				
Independent Contractors				

If coverage is desired for Leased Workers and/or Independent Contractors, are said individuals subject to the same employment related human resource training/procedures as traditional **Employees**?  Yes  No

If No, please explain.

**3. HUMAN RESOURCES**

Does the Parent Company:

use outside employment counsel for employment advice?

Yes  No

If No, please explain how this function is handled.

have a full time human resources manager or department?

Yes  No

If No, please explain how this function is handled.

distribute an employee handbook to all **Employees**?

Yes  No

If No, please explain.

have a manual of its human resource procedures?

Yes  No

If Yes, indicate the date it was last revised \_\_\_\_\_

provide formal training for its supervisors in administering these procedures?

Yes  No

have a written policy against **Discrimination**, including sexual harassment?

Yes  No

If Yes, how is it communicated to **Employees**?

have a grievance procedure for dealing with **Discrimination** claims?

Yes  No

use any tests (e.g. psychological, drug, polygraph, etc.) for screening applicants or for continued employment or promotion? If Yes, attach details.

Yes  No

use an employment application for all applicants? If No, please explain.

Yes  No

have a written progressive disciplinary program?

Yes  No

obtain advice from counsel or human resource manager prior to terminating an **Employee**? If No, attach details.

Yes  No

**4. OPERATIONAL CHANGES**

Has the Parent Company, or any of its **Subsidiaries**:

conducted any branch/facility closings, branch/facilities sales, layoffs and/or staff reductions during the past 24 months? If Yes, attach details.

Yes  No

been involved in any actual or proposed merger, acquisition, tender offer, divestment or purchase and assumption within the past 24 months? If Yes, attach details.

Yes  No



Does the Parent Company, or any of its **Subsidiaries**, anticipate:

any branch/facility closings, branch/facility sales, layoffs and/or staff reductions within the next 12 months? **If Yes, attach details.**  **Yes**  **No**

any mergers and/or acquisitions, of any type, during the next 12 months? **If Yes, attach details.**  **Yes**  **No**

or intend to out-source any of its current activities? **If Yes, attach details.**  **Yes**  **No**

## 5. PAST ACTIVITIES

Has the Parent Company, any **Subsidiary**, any director, officer or other proposed **Insured** had any:

EEOC or NLRB charges, state and/or local judgments, demand letters from current or former **Employees** or their attorneys?  **Yes**  **No**

**If Yes, please provide the following information: applicable dates, party(ies) named, damages incurred, legal expenses, current status, a brief description of the circumstances. Also please indicate the valuation date and source of this data.**

Lawsuits, mediations, arbitrations or negotiated settlements with any current or former **Employee**?  **Yes**  **No**

**If Yes, please provide for each, the applicable dates, party(ies) named, jurisdiction, Civil Action or Index Number, legal expenses incurred, current status, and brief description of circumstances.**

*It is agreed that any Claim(s) arising from any facts, circumstances or situations mentioned in the two questions immediately above, are excluded from coverage.*

## 6. INSURANCE

Do you currently have employment practices liability insurance?  **Yes**  **No**

**If Yes, please provide:**

Insurer: \_\_\_\_\_, Lmts.: \_\_\_\_\_, Ded.: \_\_\_\_\_, Prem.: \_\_\_\_\_, Exp.: \_\_\_\_\_

Has the Parent Company, any **Subsidiary** or any proposed **Insured Person** given written notice under the provisions of any prior or current employment practices liability policy or any similar insurance or endorsement of specific facts or circumstances which might give rise to a **Claim** being made against any **Insured**?  **Yes**  **No**

**If Yes, attach details.**

Have any **Loss** payments been made on behalf of any **Insured** under any employment practices liability policy or similar insurance or endorsement?  **Yes**  **No**

**If Yes, attach details.**

## 7. PRIOR KNOWLEDGE/REPRESENTATION

**IT IS IMPORTANT THAT YOU FILL IN THE BLANK IN THIS PARAGRAPH.** No person proposed for coverage is aware of any facts or circumstances which he or she has reason to suppose might give rise to a future **Claim** that would fall within the scope of proposed coverage, except  **None** or \_\_\_\_\_

**It is agreed that if such facts or circumstances exist, whether or not disclosed, any Claim arising from them is excluded from this proposed coverage.**

## 8. ADDITIONAL MATERIALS NEEDED

As part of this Application, please attach the following (where applicable):

- Employment Application
- Employee Grievance Procedures
- Employee Handbook/Manual
- EEO and Anti-Discrimination Policy Statement
- Anti-Harassment Policy Statement
- EEO-1 Report for Last Calendar Year

## IMPORTANT INFORMATION

The submitting of this Application does not obligate the Insurer to issue a coverage section. You will be advised if your Application for coverage is accepted.

## FALSE INFORMATION

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## MATERIAL CHANGE

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## DECLARATION AND SIGNATURE

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**Application must be signed by the Chairman of the Board, President or the Director of Human Resources.**

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Chairman of the Board, President or  
the Director of Human Resources)  
Signature

\_\_\_\_\_  
Title