

DIRECTORS AND OFFICERS LIABILITY-PRIVATE COMPANY  
APPLICATION



**NOTICE: THIS IS A CLAIMS MADE AND REPORTED POLICY THAT APPLIES ONLY TO THOSE CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER DURING THE POLICY PERIOD, OR THE DISCOVERY PERIOD, IF APPLICABLE. THE LIMIT OF LIABILITY AVAILABLE TO PAY LOSS SHALL BE REDUCED OR TOTALLY EXHAUSTED BY PAYMENT OF DEFENSE EXPENSES.**

**I. GENERAL INFORMATION SECTION**

1. (a) Name of Organization: \_\_\_\_\_

(b) Organization Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

2. Date Organized: \_\_\_\_\_

3. Nature of Operations: \_\_\_\_\_

4. Has the Organization been involved in any merger or acquisition within the past three (3) years or is the Organization currently contemplating any merger or acquisition? Yes  No   
 (If "Yes", please provide details on a separate page)

5. Provide the following information on all Subsidiaries of the Insured Organization. If "None", check here: None

Subsidiary Name	Nature of Business	Percent Owned by the Insured Organization	Date Created or Acquired
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

6. Stock / Unit Ownership of Insured Organization

(a) Number of common shares/units owned directly or beneficially by Directors and Officers: \_\_\_\_\_

(b) Please complete the following information:

Names of Director or Officer Shareholders	Voting Shares Owned
_____	_____%
_____	_____%
_____	_____%
Shareholders (include individual and corp. names) who are both non-directors and non-officers owning 5% or more of voting shares	Voting Shares Owned
_____	_____%
_____	_____%

\*If multiple shareholders, please include attachment

Please identify any family relationships among the individuals listed above: \_\_\_\_\_

7. Has the applicant or any of its subsidiaries had any private placement or security offerings within the last 12 months, or does the applicant or any of its subsidiaries contemplate any private placement or securities offerings in the next 12 months (offerings include any debt offering and/or any offerings under the JOBS Act including but not limited to Crowdfunding)? Yes  No   
(If "Yes", please provide details on a separate page)
8. Does the organization have an incident response plan for data breaches? Yes  No
9. How often do you test your incident response plan? \_\_\_\_\_
10. If applicable, is the organization Health Insurance Portability & Accountability Act (HIPAA) / Health Information Technology for Economic & Clinical Health (HITECH) compliant? Yes  No   
If No, please provide details on a separate page.
11. If applicable, is the organization Payment Card Industry Data Security Standard (PCI/DSS) compliant? Yes  No   
If No, please provide details on a separate page.
12. Does the organization receive more than 10% of their revenues from any governmental source? Yes  No
13. Does the organization offer, sell, advertise, market or solicit any product or service, or debt collection, employing any automatic/robo dialing, mobile phone texting, faxing, or any other type of communications based mechanism or strategy governed under the rules and regulations of the Telephone Consumer Protection Act of 1991 (TCPA), The Fair Debt Collection Practices Act or any laws governing unsolicited advertising or contacts for collections or promotion of goods or services? Yes  No
14. Does the organization have a contract or agreement with any third party vendor to perform the above services on their behalf? Yes  No

## II. EMPLOYMENT PRACTICES LIABILITY SECTION

1. Number of Employees:
- |            | <u>Union</u> | <u>Non-Union</u> |
|------------|--------------|------------------|
| Full time: | _____        | _____            |
| Part time: | _____        | _____            |
| Total:     | _____        | _____            |
2. List total number of Employees in the following states:  
CA \_\_\_\_\_ NJ \_\_\_\_\_ NY \_\_\_\_\_ MA \_\_\_\_\_ TX \_\_\_\_\_
3. Turnover percentage of Employees within the past three (3) years?  
Year 1: \_\_\_\_\_ Year 2: \_\_\_\_\_ Year 3: \_\_\_\_\_
4. Does the Organization anticipate making any reductions in the work force within the next twelve (12) months? Yes  No   
(If "Yes", please provide details on a separate page)
5. Does the Organization have an Employee manual or handbook governing the terms and conditions of employment? Yes  No
6. Does the Organization have a written policy regarding sexual or workplace harassment, Affirmative Action and Equal Opportunity Employment? Yes  No
7. Does the Employee handbook contain an employment-at-will statement, disclaimer of employment contract and disclaimer of benefits statement? Yes  No

**III. FIDUCIARY LIABILITY SECTION**

1. Please provide the following information for each Plan of the Applicant:

Plan Name	Type of Plan (DC/DB/other)	Total Plan Assets (\$)	Annual Contributions	Number of Participants
		\$		
		\$		
		\$		
		\$		

2. Does the Insured Organization handle any investment decisions in house? Yes  No   
 (If "Yes", please provide details on a separate page)

3. With respect to any ESOP proposed for coverage, please answer the following questions:

a. What percentage of ownership of the Parent Company's stock does the Plan hold? \_\_\_\_\_

b. If the Parent Company is privately held, by whom and how often is the Plan's stock valued? \_\_\_\_\_

\_\_\_\_\_

c. Who has the voting rights for the allocated and unallocated shares of stock in the Plan? \_\_\_\_\_

\_\_\_\_\_

4. During the last twenty-four (24) months, has the Insured Organization merged or terminated any plans? Yes  No   
 (If "Yes", please provide details on a separate page)

5. Are any Plans non-compliant with plan agreements or ERISA? Yes  No   
 (If "Yes", please provide details on a separate page)

6. Has any Plan experienced any assessment of fees, fines or penalties under any voluntary compliance resolution program or by any governmental authority against any plan? Yes  No   
 (If "Yes", please provide details on a separate page)

**IV. PRIOR INSURANCE**

1. Please list current insurance:

	Insurer	Limits	Retention	Premium	Expiration Date
Directors & Officers					
EPL					
Fiduciary Liability					

2. Has any similar insurance been declined, cancelled or non-renewed? Yes  No   
 (If "Yes", please provide details on a separate page)

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3. Loss experience (Attach full details of all claims during the past five (5) years that would fall within the scope of proposed insurance.)

If no losses, check "None":

None

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**V. PRIOR KNOWLEDGE**

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1. Has there been, or is there now any claim(s) pending against the Organization or its Subsidiaries, or any person proposed for insurance that is based upon or arises from acts, errors or omissions in a capacity as Director, Officer, Employee or Fiduciary of the Organization or its Subsidiaries (including but not limited to demands by past, present or potential Employees and administrative proceedings)? Yes  No

(If "Yes", please give details) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Does any person proposed for this insurance have knowledge of any fact, circumstance or situation involving the Organization, its Subsidiaries or the Directors, Officers, Employees or Fiduciaries of the Organization or its Subsidiaries which he/she has reason to believe might result in any future claim(s) which might fall within the scope of proposed insurance? Yes  No

(If "Yes", please give details) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Without prejudice to any other rights and remedies of the Insurer, the Insureds understand and agree that if such fact, circumstance, or situation exists, whether or not disclosed in response to question 2 in Section III Prior Knowledge above, any claim or action arising from such fact, circumstance, or situation is excluded from coverage under any policy issued by the Insurer.

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The undersigned authorized Officer of the Organization, on behalf of the Organization and its Subsidiaries, and on behalf of the Directors and Officers of the Organization and its Subsidiaries declares that to the best of his/her knowledge and belief, the information, particulars, documents, representations and statements contained in, attached or referred to in this application for insurance and/or as a result of the underwriting process are true and accurate and recognizes that the Insurer, in issuing this policy, will rely on such information, particulars, documents, representations and statements.

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Although the signing of this application does not bind the undersigned to effect insurance, the undersigned agrees, on behalf of the Organization and its Subsidiaries, and on behalf of the Directors and Officers of the Organization and its Subsidiaries, that the information, particulars, documents, representations and statements contained in, attached or referred to in this application for insurance and/or as a result of the underwriting process shall be the basis of the contract should a policy be issued and that this application will be attached to and will become part of such policy. The Insurer is hereby authorized to make any investigation and inquiry it deems necessary in connection with this application.



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### **ARIZONA FRAUD STATEMENT**

For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

### **CALIFORNIA FRAUD STATEMENT**

For your protection, California law requires that you be made aware of the following: Any person who knowingly presents false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

### **COLORADO FRAUD STATEMENT**

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.

### **DELAWARE FRAUD STATEMENT**

Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

### **DISTRICT OF COLUMBIA FRAUD STATEMENT**

**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.

### **FLORIDA FRAUD STATEMENT**

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.

### **HAWAII FRAUD STATEMENT**

For your protection, Hawaii law requires you to be informed that any person who presents a fraudulent claim for payment of a loss or benefit is guilty of a crime punishable by fines or imprisonment, or both.

### **IDAHO FRAUD STATEMENT**

Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

### **INDIANA FRAUD STATEMENT**

Any person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

### **KANSAS FRAUD STATEMENT**

Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

### **KENTUCKY FRAUD STATEMENT**

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.

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### **MAINE FRAUD STATEMENT**

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

### **MARYLAND FRAUD STATEMENT**

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.

### **MINNESOTA FRAUD STATEMENT**

Any person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

### **NEW HAMPSHIRE FRAUD STATEMENT**

Any person who, with a purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

### **NEW JERSEY FRAUD STATEMENT**

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

### **NEW MEXICO FRAUD STATEMENT**

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.

### **OHIO FRAUD STATEMENT**

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.

### **OKLAHOMA FRAUD STATEMENT**

**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.

### **OREGON FRAUD STATEMENT**

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

### **PENNSYLVANIA FRAUD STATEMENT**

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.

### **PUERTO RICO FRAUD STATEMENT**

Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

### **TENNESSEE, VIRGINIA, AND WASHINGTON FRAUD STATEMENT**

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.