



**DARWIN NATIONAL ASSURANCE COMPANY**

**(A member company of Allied World Assurance Company Holdings Ltd.)**

**9 Farms Spring Road, Farmington, CT 06032 · Tel. (860) 284-1300 · Fax (860) 284-1301**

**FORCEFIELD<sup>SM</sup>  
PRIVATE COMPANY**

**INSURANCE APPLICATION FOR  
MANAGEMENT LIABILITY PACKAGE POLICY**

(Inclusive of Directors & Officers Liability, Employment Practices Liability Fiduciary Liability,  
Employed Lawyers Liability, Crime and Kidnap and Ransom/ Extortion Insurance)

**THE FOLLOWING NOTICES ARE APPLICABLE TO ALL PROPOSED COVERAGE, EXCEPT THE CRIME AND THE KIDNAP AND RANSOM/EXTORTION COVERAGE.**

**THE INSURANCE FOR WHICH THIS APPLICATION IS SUBMITTED, IS GENERALLY LIMITED TO COVERAGE FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN.**

**THE LIMIT OF LIABILITY TO PAY JUDGMENTS OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY PAYMENT OF DEFENSE COSTS. DEFENSE COSTS WILL BE APPLIED AGAINST THE RETENTION AMOUNT.**

**THE INSURER DOES NOT ASSUME THE DUTY TO DEFEND ANY CLAIM UNDER THE POLICY; HOWEVER, IF THE INSURED TENDERS THE DEFENSE OF ANY CLAIM TO THE INSURER IN ACCORDANCE WITH THE TERMS THEREIN, THE INSURER SHALL ASSUME THE DEFENSE OF SUCH CLAIM.**

**THIS APPLICATION MUST BE COMPLETED IN FULL. PLEASE READ THE ENTIRE APPLICATION CAREFULLY, BEFORE SIGNING.**

**Note: If additional space is required for any response, please provide in a separate attachment, labeled with the question number.**

**I. GENERAL INFORMATION**

- 1. Name of Applicant: \_\_\_\_\_  
Web Site Address of Applicant: \_\_\_\_\_
- 2. Address of Applicant: \_\_\_\_\_
- 3. State of Incorporation: \_\_\_\_\_
- 4. Years in Operation: \_\_\_\_\_
- 5. Business Type:  Corporation     Limited Liability Company     Sole Proprietorship  
 Joint Venture     Limited Liability Partnership     General Partnership  
 Other (please specify): \_\_\_\_\_
- 6. NAICS Code(s): \_\_\_\_\_
- 7. Nature of Operations: \_\_\_\_\_

## II. COVERAGE REQUESTED BY APPLICANT

Please indicate below which Coverage Sections the Applicant is seeking coverage under for its organization:

- Directors and Officers
- Employment Practices Liability
- Fiduciary Liability
- Employed Lawyers
- Crime
- Kidnap and Ransom/Extortion

**PLEASE COMPLETE ONLY THE SECTIONS OF THE APPLICATION WHICH CORRESPOND TO THE COVERAGES YOU HAVE SELECTED ABOVE.**

## III. FINANCIAL INFORMATION

1. Please provide the following information for the Applicant and all Subsidiaries.

Based on Financial Statements Dated:	(Year/Month)
Total Assets	\$
Total Liabilities	\$
Total Revenues/Contributions	\$
<input type="checkbox"/> Net Income or <input type="checkbox"/> Net Loss	\$
Cashflow from Operations	\$

2. Has the Applicant or any of its Subsidiaries changed auditors in the past year?  Yes  No  
*(If "Yes," please provide details in an attachment.)*

## IV. ORGANIZATIONAL STRUCTURE

1. Please list all Subsidiaries for which coverage is desired:

Name	Nature of Business	Date Acquired or Created	Percentage of Ownership	Incorporated State or Country

2. Has the Applicant or any of its Subsidiaries had any mergers, acquisitions or consolidations in the past twenty four (24) months?  Yes  No

3. Are there any plans for a future merger, acquisition or consolidation of or by the Applicant or any of its Subsidiaries in the next twelve (12) months?  Yes  No

4. Has the Applicant or any of its Subsidiaries had any private placement or other offering of securities within the last twelve (12) months, or anticipate having any private placements or other offering of securities within the next twelve (12) months?  Yes  No

**V. DIRECTORS AND OFFICERS INFORMATION**

1. Total number of common shares outstanding: \_\_\_\_\_
2. Total number of common shareholders: \_\_\_\_\_
3. Total number of shares held by Directors and Officers: \_\_\_\_\_
4. Does any shareholder of the Applicant own five percent (5%) or more of the voting shares directly or beneficially?  Yes  No  
(If "Yes," please provide name and percentage of holdings)
5. Does the Applicant or any of its Subsidiaries have a portion of its private company debt purchased by the public?  Yes  No  
If "Yes," please provide the amount: \$ \_\_\_\_\_  
If "Yes," please provide the Debt Rating: \_\_\_\_\_
6. Has the Applicant experienced changes to its Board of Directors or to its Key Executives over the past year?  
 Yes  No (If "Yes," please provide complete details)
7. Does the Applicant have any of the following Board Committees?  
(Please check all that apply.)  Audit  Compensation  Nominating

**VI. EMPLOYMENT PRACTICES INFORMATION**

(Please provide the following information for the Applicant and all Subsidiaries for which coverage is being requested.)

1. Enter the **TOTAL (Inclusive of California)** number of employees in the boxes below.  
*Note: Seasonal, Temporary and Leased Employees to be included as Part-Time employees*

**Number Employees in ALL STATES/JURISDICTIONS:**

Full Time:	
Part Time:	
Total Number of Independent Contractors:	

2. Enter the **TOTAL** number of **California** employees in the boxes below.  
*Note: Seasonal, Temporary and Leased Employees to be included as Part-Time employees*

**Number Employees in CALIFORNIA ONLY:**

Full Time:	
Part Time:	
Total Number of Independent Contractors:	

3. For the past 3 years, what has been the annual percentage turnover rate of employees (all locations)?  
Year \_\_\_\_, \_\_%    Year \_\_\_\_, \_\_%    Year \_\_\_\_, \_\_%
4. Does the Applicant have a full-time Human Resources manager or the equivalent?  Yes  No

5. Does the Applicant have written procedures in place for the following:
- |   |                              |                             |
|---|------------------------------|-----------------------------|
| Hiring / interviewing?                          | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Employment at-will statement?                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Discrimination?                                 | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Progressive discipline policies and procedures? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Employment evaluations?                         | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Accommodating the disabled?                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Employee grievances or complaints?              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Sexual harassment?                              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Workplace harassment?                           | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Employee terminations?                          | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Orientation of all new employees?               | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
6. Does the Applicant distribute the above-listed procedures to all employees?  Yes  No
7. Does the Applicant use outside counsel for employment advice?  Yes  No
8. Is the Applicant or any of its Subsidiaries currently undergoing or does the Applicant or any of its Subsidiaries contemplate undergoing during the next twelve (12) months, any employee layoff or early retirements programs (including ones resulting from any type of company restructuring, or office, plant or store closing)?  
(If "Yes", please provide details in an attachment.)  Yes  No
- a. Have there been any structured layoffs in the past twenty four (24) months?  Yes  No  
If "Yes," please answer the following:
- What percentage of total employees were laid off?  1-10%  11-25%  Over 25%
- Did the Applicant or its Subsidiary consult with an outside counsel during the layoff procedure?  Yes  No
- Were severance packages offered in exchange for releases not to sue?  Yes  No  
(If "No," please attach complete details.)
- b. Please provide the number of layoffs that have taken place to date (including those which are planned and about to occur): \_\_\_\_\_
- c. Does the Applicant and its Subsidiaries have procedures in place to assist terminated or laid off employees find work?  Yes  No

## VII. FIDUCIARY LIABILITY INFORMATION

1. Please provide the following information for each Plan to be covered:

Plan Name and Plan Number	Type of Plan *	Number of Participants	Plan Assets	Plan Status**

\* Welfare (W), Defined Benefit (DB), Defined Contribution (DC), ESOP (ESOP), Other (O)

\*\* Active (A), Merged (M), Sold (S), Terminated (T), Frozen (F)

2. Are any of the Plans assets invested in the Applicant's own securities?  Yes  No

If "Yes", are the investments 'Company Directed' or invested at the discretion of the employee?  Yes  No

3. Have any Plan benefits been modified within the last two years?  Yes  No

4. Are any Plans managed by an independent third-party administrator?  Yes  No  
If "Yes," how often is the third-party administrator's performance reviewed? : \_\_\_\_\_

5. Does the Applicant plan on terminating, suspending, merging or dissolving any Plans within the next twelve (12) months?  Yes  No  
(If "Yes," please provide complete details in an attachment.)

6. Please answer the following questions should coverage for an ESOP plan be requested.  
What percent of the Company stock does the ESOP own? : \_\_\_\_\_  
Who votes the shares of the ESOP? : \_\_\_\_\_  
How often are the shares of the Company valued for purposes of the ESOP? : \_\_\_\_\_

### VIII. CRIME INFORMATION

1. Has the Applicant experienced any of the following losses in the past six years, or if in business less than six years, since the date of formation (whether insured or not):  
Employee Theft?  Yes  No  
Forgery or Alteration?  Yes  No  
Theft of Money and Securities (Inside/Outside)?  Yes  No  
Any Other Crime or Fidelity related losses?  Yes  No  
(If "Yes" to any of the above please provide complete details in an attachment.)

2. Please provide the Applicant's (including its Subsidiaries) total number of locations: \_\_\_\_\_  
State \_\_\_\_\_ County \_\_\_\_\_ Number of Locations \_\_\_\_\_  
State \_\_\_\_\_ County \_\_\_\_\_ Number of Locations \_\_\_\_\_  
(Please provide additional details in an attachment.)

3. Please provide the Applicant's (including its Subsidiaries) total number of employees: \_\_\_\_\_  
U.S. : \_\_\_\_\_ Canadian: \_\_\_\_\_ Foreign: \_\_\_\_\_

4. Of the total employees listed above, what percent handles, has access to or maintains records of, money, securities or other property of the Applicant or any third party, including, but not limited to, directors, officers, trustees or any persons handling or having access to employee welfare or benefit plan assets? \_\_\_\_\_%

5. Does the Applicant currently have cash exposures that exceed the lowest deductible amount of its current Crime or Fidelity Policy?  Yes  No

6. Does the Applicant have precious metals, precious or semi-precious stones, pearls, furs, or articles containing such materials, the total value of which exceeds the lowest deductible amount of the current Crime or Fidelity Policy?  Yes  No

7. Are corporate credit, debit, charge or purchasing cards used by the Applicant's employees?  Yes  No  
If "Yes," please indicate the following:  
a. Total number of cards issued: \_\_\_\_\_  
b. Maximum credit limit allowed under each card: \_\_\_\_\_  
c. Briefly describe the controls in place for preventing and identifying unauthorized transactions: \_\_\_\_\_  
\_\_\_\_\_

## CHECK HANDLING AND DISBURSEMENT CONTROLS

8. Does the Applicant have access to client's funds or property (including money, securities, inventory, high value property, banking systems, wire transfer systems, computer systems or sensitive data, etc.)?  Yes  No  
If "Yes," please indicate the following:
- a. Type of funds or property, and dollar amount or value: \_\_\_\_\_
  - b. Number of employees who will be performing work for your client(s): \_\_\_\_\_
  - c. Total number of clients: \_\_\_\_\_
9. Do all checks issued by the Applicant require a physical (handwritten) signature?  Yes  No  
If "No," please indicate the maximum amount that a check may be issued for, using an electronic or other "automated" signature: \$ \_\_\_\_\_
10. Do checks issued by the Applicant sometimes require two authorized signatures?  Yes  No
- a. If "Yes," over what amount is a second signature required? \$ \_\_\_\_\_
  - b. If there is no second signature required, who is authorized to sign the Applicant's checks? \_\_\_\_\_
11. Are checks signed only by the owner(s) of the Company?  Yes  No
12. How often is blank check stock inventoried? \_\_\_\_\_
13. Are those persons authorized to sign checks instructed to require that all checks be accompanied by properly approved vouchers or invoices?  Yes  No
14. Are systems designed so that no single person can control a process from beginning to end (i.e. request a check, approve a voucher and sign a check)?  Yes  No
15. Are bank accounts reconciled on a monthly basis?  Yes  No
- a. If "No," how often are they reconciled? \_\_\_\_\_
16. Are those who reconcile the Applicant's bank accounts prohibited from:
- a. handling deposits to or withdrawals from the accounts they reconcile?  Yes  No
  - b. signing checks?  Yes  No

## AUDIT FUNCTIONS AND CONTROLS

17. Does a second person review the reconciliation of an account with supporting documentation, and initial their approval of the information?  Yes  No
18. How often, and by whom, are audits of cash and accounts performed? \_\_\_\_\_
19. How often, and by whom, are inventory counts conducted? \_\_\_\_\_
20. Is there a CPA letter to management relating to internal control weaknesses?  Yes  No  
(If "Yes," please provide a copy of the most recently issued letter.)
21. If no CPA letter to management was issued, did the CPA make recommendations for improvement in internal control procedures informally?  Yes  No  
(If "Yes," please provide complete details in an attachment.)
22. Does the Applicant have an internal audit department?  Yes  No
- a. Are all of Applicant's locations audited by the internal audit staff?  Yes  No  
(If "No", please explain in an attachment.)
  - b. If "Yes," how often is each location audited? \_\_\_\_\_

## STAFFING AND VENDOR CONTROLS

23. Are background checks performed on all new hires? (Check all that apply.)  
 Criminal  Prior Employment  Credit History  References  Drug Testing
24. Are mid-employment screenings performed when employees are promoted to sensitive positions?  
 Yes  No
25. Are all employees' building access cards cancelled immediately upon termination and are all procurement, credit cards, etc. cancelled?  
 Yes  No  N/A
26. Are all employees' credit, debit, charge or purchasing cards cancelled immediately upon termination?  
 Yes  No  N/A
27. Are employees provided with a copy of the organization's Anti-Fraud Policy at least annually?  Yes  No  
a. Is there a system in place that allows for the reporting of suspicious or fraudulent activity or unauthorized transactions confidentially?  Yes  No  
b. If "Yes," describe the procedure for investigating these reports in an attachment.
28. Are employees provided with written guidelines or policies on other prohibited activities or behavior?  
 Yes  No
29. Are employees required to complete Conflict of Interest disclosure forms at least annually?  Yes  No
30. Are background and credit checks performed on vendors in order to determine ownership and financial capability, prior to doing business with them?  Yes  No  
a. If "Yes," is there dual control over this process so a single employee cannot set up a fictitious vendor in the system without it being detected?  Yes  No
31. Is an authorized vendor list utilized by the Applicant and updated annually for all purchases, with competitive bidding required over stated amounts?  Yes  No
32. Are all vendors provided with the Applicant's policy on gifts and entertainment (prohibiting gifts or entertainment of any significant value)?  Yes  No

## WIRE TRANSFER AND COMPUTER CONTROLS

33. What is the daily average number of, and dollar value of, wire transfers to and from the Applicant's accounts?  
# \_\_\_\_\_ \$ \_\_\_\_\_
34. What is the maximum dollar value that may be transferred per day? \_\_\_\_\_
35. Is approval by more than one authorized person required to initiate a wire transfer?  Yes  No
36. Does the Applicant's financial institution receive authorization from an employee, other than one who requested the wire transfer, before acting on the request?  Yes  No
37. Does the Applicant receive hard copy confirmations on all wire transfers?  Yes  No  
a. If "Yes" are confirmations sent directly to a department or individual which is not authorized to initiate a wire transfer?  Yes  No
38. Are computer system access codes and passwords changed at least every sixty (60) days?  Yes  No
39. Do any third parties, other than employees, have access to the Applicant's computer systems?  Yes  No  
(If Yes, please explain in an attachment.)

40. Does the Applicant sponsor any employee welfare or retirement plan(s) for its employees?  Yes  No  
 a. If "Yes," please list all sponsored employee welfare or retirement plan(s) that are required to be bonded by ERISA. (Please provide in an attachment.)
41. List all entities for which the Applicant is seeking coverage. (Please provide complete listing in an attachment.)  
 a. Are all entities which are listed, owned, controlled or operated by the Applicant, directly or through its Subsidiaries?  Yes  No  
 b. Does the information provided in this Application or any attachment include information for all joint ventures proposed to be covered?  Yes  No  
 If "No," to questions a. or b. above, please provide details for each listed entity in an attachment.

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## IX. EMPLOYED LAWYERS INFORMATION

1. Number of full-time Lawyers employed by the Applicant (including Subsidiaries): \_\_\_\_\_  
 Number of part-time Lawyers employed by the Applicant (including Subsidiaries): \_\_\_\_\_
2. Describe the type of work including types of Pro Bono and moonlighting work performed by Employed Lawyers. (Please provide complete details in an attachment.)
3. If the Applicant's (including any subsidiary's) securities are publicly traded or subject to public reporting under the Securities Exchange Act of 1934, please answer the following:  
 Does any Employed Lawyer prepare, review, comment on, sign, or approve financial statements, registration statements, prospectuses, annual or quarterly reports, or other reports filed with federal or state agencies or released to shareholders or the public, regarding the Applicant or its Subsidiaries?  Yes  No
4. Does any Employed Lawyer serve on the Board of Directors or the equivalent governing/oversight body of the Applicant or its Subsidiaries?  Yes  No
5. Does the Applicant or its Subsidiaries anticipate any registration of securities under the Securities Act of 1933 (or any similar federal, state or foreign rule or law), or any other offering of securities within the next twelve (12) months?  Yes  No
6. Does the Applicant or its Subsidiaries permit or require any Employed Lawyer to issue any written legal opinion to an outside party, in connection with a sale, acquisition, merger, consolidation or other similar transaction?  Yes  No
7. Does any Employed Lawyer serve on a due diligence committee or perform legal services regarding any proposed sale, merger, acquisition, consolidation or other similar transaction involving the Applicant or its Subsidiaries?  Yes  No  
 (If "Yes," please provide a narrative description of the role and process in an attachment.)
8. Does any Employed Lawyer appear in court for or on behalf of the Applicant or its Subsidiaries or any proposed insured person, in the course of his or her employment for the Applicant?  Yes  No
9. Does any Employed Lawyer provide personal legal services, including but not limited to legal services relating to criminal, civil, matrimonial, intellectual property law or estate/financial planning matters, to any proposed insured person or any third party?  Yes  No
10. Does any Employed Lawyer issue written legal opinions to or for the use of, the Board of Directors or the equivalent governing/oversight body, of any entity other than the Applicant or its Subsidiaries, in which the Applicant or any Subsidiary has an equity or other interest in such entity?  Yes  No



11. Has any Employed Lawyer been the subject of any disciplinary proceeding or investigation, or been disciplined by, any state organization or agency charged with the licensing or discipline of attorneys, or been refused admission to practice by any state or federal bar, court or administrative agency?  Yes  No  
(If "Yes," please provide complete details in an attachment.)

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**X. KIDNAP AND RANSOM/EXTORTION**

1. List total number of proposed insured persons which are based outside the United States or Canada, by country:

Country	City	Number of Employees	Number of Locations	Operations

2. List any planned travel in the next twelve (12) months outside the United States or Canada, by country:

Country	City	Number of Insured Persons Traveling	Frequency	Duration

3. Describe any preventative measures taken for employees located or traveling outside the United States or Canada: \_\_\_\_\_
4. Has the Applicant or any person proposed for coverage ever been involved in an attempted, threatened or actual kidnapping, extortion, detention or hijacking?  Yes  No
5. Please list contact information for Director of Security and/or Risk Management (or equivalent position):

Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Email Address: \_\_\_\_\_  
 Telephone Number: \_\_\_\_\_

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**XI. CLAIMS HISTORY** *(Renewal Applicants do not need to complete this section.)*

1. Does any person(s) or entity(ies) for whom coverage is sought under the proposed insurance have any knowledge of any fact, circumstance, situation, or information of any error, misstatement, misleading statement, act, omission, neglect, breach of duty or other matter that may give rise to a Claim which may fall within the scope of coverage under the proposed insurance?

D&O and Private Company Liability  Yes  No  N/A  
 Employment Practices Liability  Yes  No  N/A  
 Fiduciary Liability  Yes  No  N/A  
 Employed Lawyers Liability  Yes  No  N/A

If "Yes," please provide complete details in an attachment.

2. Has any Claim been made or legal proceeding been brought against any person or entity for whom coverage is sought under the proposed insurance?

- D&O and Private Company Liability  Yes  No  N/A
- Employment Practices Liability  Yes  No  N/A
- Fiduciary Liability  Yes  No  N/A
- Employed Lawyers Liability  Yes  No  N/A

**If "Yes," please provide complete details in an attachment.**

3. Does any person or entity for whom coverage is sought under the proposed insurance have knowledge of any inquiry, investigation or communication that he/she/it has reason to believe might give rise to a Claim that might fall within the scope of the coverage under the proposed insurance?

- D&O and Private Company Liability  Yes  No  N/A
- Employment Practices Liability  Yes  No  N/A
- Fiduciary Liability  Yes  No  N/A
- Employed Lawyers Liability  Yes  No  N/A

**If "Yes," please provide complete details in an attachment.**

4. Has the Applicant or any of its Subsidiaries, or any director or officer thereof:

- a. Been named as a party in, or otherwise involved in any antitrust, copyright or patent litigation?  Yes  No  N/A
- b. Been charged in any civil or criminal action or administrative proceeding, with a violation of any federal or state antitrust or unfair trade practices law?  Yes  No  N/A
- c. Been charged in any civil or criminal action or administrative proceeding, with a violation of any federal or state securities law or regulation?  Yes  No  N/A
- d. Been named as a party in, or otherwise involved in any representative actions, class actions, or derivative suits?  Yes  No  N/A
- e. Been charged in any civil or criminal action or administrative proceeding with a violation of any federal or state anti-harassment or anti-discrimination law?  Yes  No  N/A

**If "Yes," please provide complete details in an attachment.**

IT IS AGREED THAT IF SUCH KNOWLEDGE OR INFORMATION EXISTS WITH REGARD TO ANY QUESTIONS IN THIS SECTION XI. CLAIMS HISTORY, REGARDLESS OF WHETHER IT IS DISCLOSED IN THIS APPLICATION, ANY CLAIM BASED ON, ARISING FROM, OR IN ANY WAY RELATING TO SUCH MATTER OF WHICH THERE IS KNOWLEDGE OR INFORMATION SHALL BE EXCLUDED FROM COVERAGE UNDER THE INSURANCE BEING APPLIED FOR, AND THE INSURER SHALL NOT BE LIABLE FOR ANY LOSS OR DEFENSE EXPENSES OR OTHER COSTS RESULTING THEREFROM, AND TO THE EXTENT THIS POLICY PROVIDES DUTY TO DEFEND COVERAGE, THE INSURER SHALL HAVE NO DUTY TO DEFEND ANY CLAIM, SUIT OR OTHER LEGAL PROCEEDING ARISING OUT OF SUCH MATTER.

## XII. PRIOR INSURANCE COVERAGE

Please provide the following details regarding the Applicant's current Insurance programs:

Coverage	Limit of Liability	Retention	Premium	Policy Period
D&O				
EPL				
Fiduciary				
Employed Lawyers				
Crime				
Kidnap Ransom/Extortion				

If Applicant does not currently have such coverage in place, please indicate "N/A."

Have any of the Applicant's prior carriers cancelled coverage or indicated an intent to not offer renewal terms?  
(If "Yes," please provide complete details in an attachment.)  Yes  No

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### **XIII. REPRESENTATIONS OF AND NOTICES TO THE APPLICANT**

The undersigned authorized representative of the Applicant declares that the statements set forth herein are true, and reasonable effort has been made to obtain sufficient information from all persons proposed for this insurance to facilitate the accurate completion of the Application.

The undersigned authorized representative agrees that if the information supplied on this Application changes between the date of this Application and the effective date of the insurance, he/she will, in order for the information to be accurate on the effective date of the insurance, immediately notify the Insurer of such changes, and the Insurer may withdraw or modify any outstanding quotations or agreement to bind insurance.

The submission of this Application by the Applicant to the Insurer or signing of this Application by or on behalf of the Applicant does not obligate the Insurer to issue the insurance requested. It is agreed that this Application shall be the basis of the contract if a policy is issued and shall be deemed to be attached to, incorporated into and become a part of, the policy.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF. NOTHING CONTAINED HEREIN OR INCORPORATED HEREIN BY REFERENCE SHALL CONSTITUTE NOTICE OF A CLAIM OR POTENTIAL CLAIM SO AS TO TRIGGER COVERAGE UNDER ANY CONTRACT OF INSURANCE.

**NOTICE TO ARKANSAS 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 FLORIDA APPLICANTS:** "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 HAWAII APPLICANTS:** "FOR YOUR PROTECTION, HAWAII LAW REQUIRES YOU TO BE INFORMED THAT PRESENTING A FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT IS A CRIME PUNISHABLE BY FINES OR IMPRISONMENT, OR BOTH."

**NOTICE TO KENTUCKY APPLICANTS:** "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 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 MAINE 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 MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS."

**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, 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" (365:15-1-10, 36 §3613.1).

**NOTICE TO 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 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 MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS."

**NOTICE TO TEXAS APPLICANTS:** "ANY PERSON WHO KNOWINGLY PRESENTS A 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."

**NOTICE TO VERMONT APPLICANTS:** "ANY PERSON WHO KNOWINGLY PRESENTS A FALSE STATEMENT IN AN APPLICATION FOR INSURANCE MAY BE GUILTY OF A CRIMINAL OFFENSE AND SUBJECT TO PENALTIES UNDER STATE LAW."

**NOTICE TO VIRGINIA 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 PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS."

**NOTICE TO WEST VIRGINIA APPLICANTS:** "ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS OR THE 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 ALL OTHER 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 MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS."

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#### **XIV. DECLARATION AND SIGNATURE**

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE HEREBY ACKNOWLEDGES THAT HE OR SHE IS MAKING THE REPRESENTATIONS IN THIS APPLICATION ON BEHALF OF THE APPLICANT AND ALL ENTITIES OR PERSONS PROPOSED FOR COVERAGE UNDER THE POLICY.

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_  
(President, CEO or CFO)

Date: \_\_\_\_\_