



**BY COMPLETING THIS APPLICATION YOU ARE APPLYING FOR COVERAGE WITH  
 EXECUTIVE RISK INDEMNITY INC. (THE "COMPANY")**

**NOTICE: THE EXECUTIVE LIABILITY AND ENTITY SECURITIES LIABILITY COVERAGE SECTION PROVIDES CLAIMS MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD," OR ANY EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS," AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE RETENTION AMOUNT. THE COVERAGE AFFORDED UNDER THIS COVERAGE SECTION DIFFERS IN SOME RESPECTS FROM THAT AFFORDED UNDER OTHER POLICIES. READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.**

**APPLICATION INSTRUCTIONS:**

1. Whenever used in this Application, the term "**Applicant**" shall mean the Parent Organization and all organizations applying for coverage.
2. Include all requested underwriting information and attachments. Provide a complete response to all questions and attach additional pages if necessary.

**I. GENERAL INFORMATION:**

1. Name of **Applicant**: \_\_\_\_\_
2. Address of **Applicant**: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Telephone: \_\_\_\_\_
3. Web address: \_\_\_\_\_
4. Name and Address of Primary Contact: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Telephone: \_\_\_\_\_

**II. SPECIFIC INFORMATION:**

1. Please attach a copy of the following for every **Applicant** seeking coverage:
  - The latest Annual Report, including audited financial statements;
  - The most recent reports filed with the SEC on Forms 10-K and 10-Q;
  - All reports filed with the SEC on Form 8-K or Schedule 13D (by any filer, with respect to any equity securities of such **Applicant**) during the preceding twelve months;
  - The most recent proxy statement and (if different) the most recent definitive proxy statement filed with the SEC; and
  - The most recent CPA letter to management on internal controls, together with management's response.
2. Limit of Liability Requested: \$ \_\_\_\_\_
3. Policy Period Requested:  
 From \_\_\_\_\_ to \_\_\_\_\_ both days at 12:01 a.m. at the principal address of the Parent Organization.



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4. Is any **Applicant** currently a general partner in any limited or general partnership?  
\_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details.
5. Ownership:
- a. If securities issued by any **Applicant** are publicly traded, provide the stock symbol for each such **Applicant** and identify any exchange on which the securities are listed or traded:  
\_\_\_\_\_
  - b. If the Parent Organization is privately held, provide the following:  
Number of common shares outstanding: \_\_\_\_\_  
Number of common stockholders: \_\_\_\_\_
  - c. Provide the name and ownership percentage of every direct or indirect beneficial owner of 5% or more of the common shares of (i) the Parent Organization or (ii) any other **Applicant** whose common shares are publicly traded: \_\_\_\_\_
  - d. Describe fully any securities convertible into common stock that have been issued by (i) the Parent Organization or (ii) any other **Applicant** whose common shares are publicly traded:  
\_\_\_\_\_
6. Recent, Pending and Contemplated Changes:
- a. Has any **Applicant** made a public disclosure at any time during the past 24 months concerning any actual or potential:
    - (i) merger, acquisition, or tender offer? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details.
    - (ii) public offering of securities (whether or not such securities are required to be registered under the Securities Act of 1933)? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details including the prospectus.
    - (iii) reorganization or material change in any arrangement with creditors under federal or state law? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details.
  - b. Whether or not such discussions have been publicly disclosed, is any **Applicant** or individual proposed for coverage currently involved in discussions with any other party concerning any actual or potential:
    - (i) merger, acquisition, or tender offer? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details.
    - (ii) public offering of securities (whether or not such securities are required to be registered under the Securities Act of 1933)? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details including the prospectus.
    - (iii) reorganization or material change in any arrangement with lenders, bondholders, financiers or other significant creditors? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details.
  - c. Has any **Applicant** replaced its outside auditors at any time during the last 3 years?  
\_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details.
  - d. Does any **Applicant** currently anticipate replacing its outside auditors?  
\_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details.



e. Has the president, chief executive officer, chief financial officer or any executive vice president of any **Applicant** left such office within the last 3 years for any reason other than death or retirement at normal retirement age? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details.

7. Past Activities/Lawsuits/Proceedings:

a. During the last 5 years, has any **Applicant** or proposed insured individual, in any capacity, been involved in any of the following matters?

(i) Antitrust, copyright or patent litigation? \_\_\_\_\_ Yes \_\_\_\_\_ No

(ii) Civil, criminal or administrative proceeding or formal or informal investigation concerning compliance or noncompliance with any federal or state securities law or regulation?  
 \_\_\_\_\_ Yes \_\_\_\_\_ No

(iii) Any other criminal action or proceeding? \_\_\_\_\_ Yes \_\_\_\_\_ No

(iv) Class action, derivative suit or other representative proceeding? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes to any of these, attach details.

b. Other than those identified in your response to Section 7(a), has any claim been brought at any time during the last 5 years against (i) any **Applicant** or (ii) any proposed insured individual in his or her capacity as a director or officer of any entity? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, attach details.

8. Current Insurance:

Provide the following information with respect to any executive/directors and officers liability or other securities liability insurance coverage currently maintained by any **Applicant** or by any proposed insured individual:

Insurer	Limits	Retention	Policy Period
_____	\$ _____	\$ _____	_____

9. Representation: Prior Knowledge of Facts/Circumstances/Situations:

No person or entity proposed for coverage is aware of any fact, circumstance, or situation which he or she has reason to suppose might give rise to any claim that would fall within the scope of the proposed coverage, except: NONE \_\_\_\_\_ or \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Without prejudice to any other rights and remedies of the Company, the **Applicant** understands and agrees that if any such fact, circumstance, or situation exists, whether or not disclosed above in response to question 9, any claim or action arising from such fact, circumstance, or situation is excluded from coverage under any policy issued by the Company.

**III. NOTICES:**

The **Applicant's** submission of this Application does not obligate the Company to issue, or the **Applicant** to purchase, a policy. The **Applicant** will be advised if the Application for coverage is accepted. The **Applicant** hereby authorizes the Company to make any inquiry in connection with this Application.



**Notice to Arkansas, Minnesota and Ohio Applicants:** Any person who, with intent to defraud or knowing that he/she 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, which is a crime.

**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 of District of Columbia, Maine, Tennessee and 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 may include imprisonment, fines or a denial of insurance benefits.

**Notice to Florida Applicants:** Any person who, knowingly and with intent to injure, defraud or deceive any employer or employee, insurance company, or self-insured program, files a statement of claim containing any false or misleading information is guilty of a felony of the third degree.

**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 false information, or conceals for the purpose of misleading, information concerning any material fact thereto, commits a fraudulent insurance act which is a crime.

**Notice to Louisiana and 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 Maryland Applicants:** Any person who, with intent to defraud or knowing that he/she is facilitating fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

**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 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 Oklahoma Applicants:** Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of any insurance policy containing any false incomplete or misleading information is guilty of a felony.

**Notice to Oregon and Texas Applicants:** Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

**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.



**IV. MATERIAL CHANGE:**

If there is any material change in the answers to the questions in this Application before the policy inception date, the **Applicant** must immediately notify the Company in writing, and any outstanding quotation may be modified or withdrawn.

**V. DECLARATION AND SIGNATURE:**

For the purposes of this Application, the undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance declare to the best of their knowledge and belief, after reasonable inquiry, the statements made in this Application and any attachments or information submitted with this Application, are true and complete. The undersigned agree that this Application and its attachments shall be the basis of a contract should a policy providing the requested coverage be issued and shall be deemed to be attached to and shall form a part of any such policy. The Company will have relied upon this Application, its attachments, and such other information submitted therewith in issuing any policy.

The information requested in this Application is for underwriting purposes only and does not constitute notice to the Company under any policy of a Claim or potential Claim.

This Application must be signed by the chief executive officer and chief financial officer of the Parent Organization acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance.

Date	Signature	Title
_____	_____	<u>Chief Executive Officer</u>
_____	_____	<u>Chief Financial Officer</u>

Produced By:

Agent: \_\_\_\_\_ Agency: \_\_\_\_\_

Agency Taxpayer ID or SS No.: \_\_\_\_\_ Agent License No.: \_\_\_\_\_

Address (Street, City, State, Zip): \_\_\_\_\_

Submitted By:

Agency: \_\_\_\_\_

Taxpayer ID or SS No.: \_\_\_\_\_ Agent License No.: \_\_\_\_\_

Address (Street, City, State, Zip): \_\_\_\_\_