



**SECURITIES BROKERAGE  
EXECUTIVE AND PROFESSIONAL LIABILITY APPLICATION**

The following are the available coverages under this policy form. Every Applicant is required to complete Section I. General Information. Then, based on which coverages the Applicant is interested in, complete each appropriate section in this Application. Please check the appropriate box for desired coverage:

- PROFESSIONAL LIABILITY
- DIRECTORS AND OFFICERS LIABILITY, INCLUDING EMPLOYMENT PRACTICES LIABILITY
- PENSION AND WELFARE BENEFIT PLAN FIDUCIARY LIABILITY

**NOTICE: THE POLICY FOR WHICH THIS APPLICATION IS MADE APPLIES, SUBJECT TO ITS TERMS, ONLY TO "CLAIMS" FIRST MADE AND REPORTED DURING THE "POLICY PERIOD," OR, IF PURCHASED, ANY EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED BY "DEFENSE EXPENSES," AND "DEFENSE EXPENSES" WILL BE APPLIED AGAINST THE RETENTION. ACCEPTANCE OR RECEIPT BY THE UNDERWRITER OF THIS APPLICATION WILL NOT OBLIGATE THE UNDERWRITER TO ISSUE ANY POLICY OF INSURANCE, NOR PROVIDE REQUESTED COVERAGE FOR ALL ENTITIES LISTED IN THIS APPLICATION OR IN ANY SCHEDULE ATTACHED HERETO. PLEASE READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.**

**I. GENERAL INFORMATION**

1. **Applicant's** name: \_\_\_\_\_
2. Principal address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_
3. Web site Internet address (if applicable): http://\_\_\_\_\_
4. If the **Applicant** is other than a corporation, state the type of organization: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. Name and title of the officer at the principal sponsor or organization for the **Applicant** designated as the representative to receive all notices from the Underwriter on behalf of all persons and entities proposed for this insurance: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Please give details of the following insurance carried by the **Applicant**. If "None," so state.

	Limit	Deductible	Carrier	Term	Premium
Professional Liability	\$	\$			\$
Directors & Officers Liability	\$	\$			\$
Employment Practices Liability	\$	\$			\$
Fidelity Bond/Crime	\$	\$			\$
General Liability	\$	\$			\$
Umbrella	\$	\$			\$

7. **MISSOURI APPLICANTS/AGENTS - DO NOT ANSWER THIS QUESTION.**

Have any of the **Applicant's** insurance carriers indicated an intent not to offer renewal terms?  Yes  No  
 If "Yes," please provide details as an attachment.

**IMPORTANT: Please complete all applicable sections contained in this Application for each entity to be considered for insurance.**

**II. PROFESSIONAL LIABILITY COVERAGE**

1. Date the **Applicant** commenced operations: \_\_\_\_\_
2. Please indicate the **Applicant's** principal business (e.g., discount brokerage, full service brokerage), including distribution system(s) used (e.g., financial institutions): \_\_\_\_\_
3. Does the **Applicant** have a parent (ownership of more than fifty percent (50%) of the **Applicant**)?  Yes  No  
 If "Yes," please supply full details and attach the parent's latest audited annual financial statements.
4. (a) Number of branches: \_\_\_\_\_  
 How many of these are Offices of Supervisory Jurisdiction? \_\_\_\_\_ One-person offices? \_\_\_\_\_  
 (b) Does the **Applicant** clear its own trades?  Yes  No  
 If "No," please indicate the clearing firm relationship: \_\_\_\_\_
5. (a) Number of Registered Representatives:
  - (i) Full-time Producers: \_\_\_\_\_ (ii) Part-time Producers: \_\_\_\_\_
  - (iii) Other (back offices): \_\_\_\_\_ (iv) Total: Current Year: \_\_\_\_\_ Prior Year: \_\_\_\_\_
 (b) Anticipated growth in number of Registered Representatives over the next twelve (12) months: \_\_\_\_\_  
 (c) Registered Representative Employment Status (indicate number of each):
  - (i) Independent contractor: \_\_\_\_\_
  - (ii) Employee: \_\_\_\_\_

6. Is the **Applicant** or any of its Registered Representatives a Registered Investment Advisor?  Yes  No  
 If "Yes," please attach copies of FORM ADV, Parts I and II and answer the following:

(a) Number of Registered Representatives using the Corporate RIA: \_\_\_\_\_

(b) Does the **Applicant** allow Registered Representatives to hold individual RIA designations?  Yes  No

If "Yes," please indicate the number of representatives who are dually licensed and the procedures in place to monitor these activities: \_\_\_\_\_

\_\_\_\_\_

(c) What types of Investment Advisory/Management Services are provided by the RIA's? (Please indicate if any accounts are being handled on a discretionary basis.): \_\_\_\_\_

\_\_\_\_\_

7. Percentage (%) of revenue by service:

_____ % Securities Brokerage	_____ % Fee-based Financial Planning
_____ % *Wrap Fees/Asset Allocation	_____ % Bank Marketing Programs
_____ % *Employee Benefit Plans	_____ % Underwriting
_____ % Other: _____	

**\*If service is being provided in these areas, please describe fully. Attach a separate sheet if necessary.**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

8. (a) Annual commission revenues for all products (including life insurance and annuities sales through any affiliated insurance agency): \_\_\_\_\_

(b) Please state the percentage (%) of commission revenues which are derived from the following:

_____ % Listed Stocks	_____ % Listed Bonds	_____ % Unlisted Stocks
_____ % Variable Annuities	_____ % Fixed Annuities	_____ % Unregistered Stocks or Bonds
_____ % Future/Options	_____ % Life Insurance	_____ % Short Sales of Stock
_____ % Commodities	_____ % Mutual Funds	_____ % REIT's
_____ % Penny Stocks (unlisted securities trading at less than \$5)		

Limited Partnerships: Proprietary: \_\_\_\_\_ % Non-proprietary: \_\_\_\_\_ %

\_\_\_\_\_ % Other (please specify): \_\_\_\_\_

**TOTAL: \_\_\_\_\_ 100%**

9. (a) Average dollar trade: \$ \_\_\_\_\_
- (b) Total number of securities brokerage accounts: \_\_\_\_\_
- (c) What percentage (%) are: Margin: \_\_\_\_\_% Discretionary: \_\_\_\_\_%
- (d) What percentage (%) are: Individual: \_\_\_\_\_% Corporate: \_\_\_\_\_% Institutional: \_\_\_\_\_%

10. Please attach copies of the following:
- (a) **Applicant's** latest audited annual financial statements
  - (b) Written supervisory procedures for supervising activities of Registered Representatives and Registered Investment Advisors
  - (c) Latest four quarterly Focus reports as filed with regulatory bodies
  - (d) Copy of the most current BD form filed with the SEC
  - (e) List of the approved products for sale by the **Applicant's** Registered Representatives, including approved life insurance companies and their products
  - (f) **Applicant's** "due diligence" guidelines for approving investment vehicles to be sold
  - (g) Latest Regulatory Exam and management's response
  - (h) In-house newsletters, brochures, and marketing information provided to Registered Representatives
  - (i) Copy of new account information form
  - (j) **Applicant's** Operations and Compliance Manuals

11. (a) Does the **Applicant** conduct audits of all off-site branch offices?  Yes  No  
 On average, how often are audits of off-site branch offices conducted? \_\_\_\_\_  
 Does the **Applicant** conduct unscheduled audits as part of its audit process?  Yes  No  
 What percentage of audits are conducted on an unscheduled basis? \_\_\_\_\_%  
 Does the **Applicant** have any one-person branch offices?  Yes  No  
 If "Yes," are unscheduled audits being conducted at these branch offices?  Yes  No

(b) Please describe the disciplinary measures taken when there is a violation of compliance guidelines:

\_\_\_\_\_

\_\_\_\_\_

(c) Please describe any procedures the **Applicant** has for monitoring product suitability and/or volume of transactions with respect to customer accounts and for ensuring that transactions are in accordance with the customer's investment objectives and sophistication: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(d) For what products or services is a disclosure statement required to be signed by the customer? (Please submit standard statement.) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(e) Does the **Applicant** provide in-house training programs for Registered Representatives or require Registered Representatives to be trained in its approved products?  Yes  No  
 If "Yes," please describe such programs: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

12. (a) Please give the number of notices, letters, complaints, and other claims received in the past five (5) years by the **Applicant**: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(b) With respect to any such notice, letter, complaint, or claim that has resulted in or is reasonably expected to result in loss or damages (including defense expenses) in excess of \$5,000, please attach full details, including name of claimant(s) and Registered Representative(s) involved; date of notice, letter, complaint, or claim; nature of allegations; type of investment at issue; damages alleged; amount of defense expenses paid; and outcome, including amount of award or settlement (attach a separate sheet if necessary):  
(If "None," check here  "None.")

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(c) Describe disciplinary measures taken against any Registered Representative with multiple customer complaints: \_\_\_\_\_

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(d) What procedures does the **Applicant** have, prior to hiring a Registered Representative, to determine whether such Registered Representative has any history of criminal or civil proceedings, customer complaints, regulatory investigations, professional suspensions, or other claims? \_\_\_\_\_

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(e) Does the **Applicant** have any policies governing the hiring of Registered Representatives with any history of criminal or civil proceedings, customer complaints, regulatory investigations, professional suspensions, or other claims?  Yes  No  
If "Yes," please describe and/or provide copies of all such policies. \_\_\_\_\_

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13. (a) What percentage (%) of client agreements contain arbitration clauses? \_\_\_\_\_%

(b) Is the arbitration clause mentioned in question 15(a) above ever deleted from the client agreement?  Yes  No  
If "Yes," from what percentage (%) of agreements is it deleted? \_\_\_\_\_%

14. Does the **Applicant** currently have any Registered Representative who has had more than one claim made or violation reported against him or her (whether at the **Applicant** or at a previous firm)?  Yes  No

For purposes of this question, the phrase "claim made or violation reported" shall mean any matter with respect to which a Registered Representative would be required to provide a "Yes" answer in response to any of questions 23A through 23M of such Registered Representative's Form U-4.

If "Yes," please attach a written list of all such Registered Representatives, together with copies of the most recent Form U-4 for each such Registered Representative. (If coverage is desired for any such Registered Representative, please also provide full details with respect to each claim made or violation reported against such Registered Representative and a description of any procedures put in place and/or restrictions imposed by the **Applicant** on such Registered Representative to ensure future compliance with all applicable laws and regulations.)

15. No person or entity proposed for this insurance (including without limitation any partners, directors, officers, employees, or registered representatives) has any knowledge or information of any fact, circumstance, or situation (e.g., the insolvency or the potential insolvency of any investment sold by the **Applicant**) which might reasonably be expected to give rise to any claim that would fall within the scope of the proposed insurance, except as follows: (If "None," check here  "None.")

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**Without prejudice to any other rights and remedies of the Underwriter, any claim arising from any claims, facts, circumstances, or situations required to be disclosed in response to question 12., 14., or 15. above is excluded from the proposed insurance.**

**III. DIRECTORS AND OFFICERS LIABILITY, INCLUDING EMPLOYMENT PRACTICES LIABILITY COVERAGE**

1. Stock ownership of the **Applicant**:

- (a) Total number of voting shares outstanding: \_\_\_\_\_
- (b) Total number of voting shareholders: \_\_\_\_\_
- (c) Total number of voting shares owned by the **Applicant's** directors and officers (direct and beneficial): \_\_\_\_\_
- (d) Does any shareholder own five percent (5%) or more of the voting shares directly or beneficially?  Yes  No  
 If "Yes," please state the names and the percentages of holdings.  
 (If no such shareholders, check here:  "None.")

Shareholder Name	Percentage of Holding
	%
	%
	%
	%
	%

- (e) Have there been any changes in the board of directors or senior management of the **Applicant** within the past three (3) years for reasons other than death or retirement?  Yes  No  
 If "Yes," please explain: \_\_\_\_\_
- 
- 

- (f) Current number of: Directors \_\_\_\_\_  
    Officers \_\_\_\_\_  
    Shareholders \_\_\_\_\_

- (g) Has the **Applicant** changed outside auditors in the last three (3) years?  Yes  No  
 If "Yes," please explain: \_\_\_\_\_

- 
- (h) Have the outside auditors stated there are no material weaknesses in the **Applicant's** system of internal controls?  Yes  No  
If "No," please provide the latest CPA letter to management and management's response.

(i) Has the **Applicant** in the past thirty-six (36) months completed or agreed to, or does it contemplate within the next twelve (12) months, any of the following, whether or not such transactions were or will be completed:

- (i) Merger, acquisition, or consolidation with another entity whose consolidated assets exceed twenty-five percent (25%) of the **Applicant's** consolidated assets?  Yes  No
- (ii) Sale, distribution, or divestiture of any assets or stock other than in the ordinary course of business in an amount exceeding twenty-five percent (25%) of the **Applicant's** consolidated assets?  Yes  No
- (iii) A registration for a public offering or a private placement of securities?  Yes  No
- (iv) Reorganization or arrangement with creditors under federal or state law?  Yes  No

For any category in question 1.(i) in which the answer is "Yes," please describe the essential terms of each on a separate addendum.

2. Does the **Applicant** anticipate any facility, branch, or office closings, consolidations, or layoffs within the next twenty-four (24) months?  Yes  No  
If "Yes," please attach details on a separate addendum.

3. Total number of employees:

- (a) Currently: \_\_\_\_\_
- (b) One (1) year ago: \_\_\_\_\_
- (c) Two (2) years ago: \_\_\_\_\_
- (d) How many employees or officers have been terminated in the past two (2) years? \_\_\_\_\_
- (e) What percentage (%) of the **Applicant's** employees have turned over in the past two (2) years? \_\_\_\_\_%
- (f) How are decisions made regarding compensation of partners, officers, and employees? \_\_\_\_\_

4. Does the **Applicant**:

- (a) have a full-time human resources coordinator?  Yes  No
- (b) have a written policy with respect to sexual harassment?  Yes  No
- (c) have written annual evaluations for employees?  Yes  No
- (d) have a written policy with respect to progressive discipline for employees?  Yes  No
- (e) have a written human resources manual or equivalent written guidelines?  Yes  No
- (f) use outside counsel for employment advice?  Yes  No

5. Please provide copies of the following:

- (a) Employee handbook/manual
- (b) Procedure for handling employee complaints

6. (a) Please attach a list and status of all directors and officers liability claims (including without limitation any claim against any such person or entity for any employment practice, as described in the proposed insurance, or any complaint against any such person or entity before the Equal Employment Opportunity Commission or any similar state or local authority) made during the current year and the past three (3) years against any person or entity proposed for this insurance (include loss payment and defense costs). (If "None," check here:  "None.")



(b) No person or entity proposed for this insurance has any knowledge or information of any fact, circumstance, or situation which might reasonably be expected to give rise to any claim that would fall within the scope of the proposed insurance (including without limitation any suspected or threatened claim against any such person or entity for any employment practice, as described in the proposed insurance, or any suspected or threatened complaint against any such person or entity before the Equal Employment Opportunity Commission or any similar state or local authority), except as follows: (If "None," check here  "None.")

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Without prejudice to any other rights and remedies of the Underwriter, any claim arising from any claims, facts, circumstances, or situations required to be disclosed in response to question 6.a. or 6.b. above is excluded from the proposed insurance.**

**IV. PENSION AND WELFARE BENEFIT PLAN FIDUCIARY LIABILITY COVERAGE  
(PLEASE COMPLETE ONLY IF COVERAGE IS DESIRED.)**

1. Name of Sponsor Organization for the **Applicant**: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

2. Limit desired: \_\_\_\_\_

3. Will funds from the Plan be used to purchase insurance?  Yes  No  
 If "Yes," is it understood that the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, allows the Insurer to seek recourse against Insureds under certain circumstances and that the insurance policy herein applied for will contain such a recourse provision?  Yes  No

4. Complete the following for all Plans. Please attach a schedule, if necessary.  
Under **Status**, insert the appropriate letter: Under **Type**, insert the appropriate number:

- |   |                         |
|---|-------------------------|
| A. Benefits exclusively from insurance or annuity contracts | 1. Defined Benefit      |
| B. Investments by bank or trust company                     | 2. Defined Contribution |
| C. Investment Manager appointed (ERISA 402(c)(3))           | 3. Welfare              |
| D. Investments under Plan or sponsor control                | 4. Other (specify)      |

Plan Name	Status	Reporting Year	Asset Value	Type	Contributions	Number of Participants
			\$		\$	
			\$		\$	
			\$		\$	
			\$		\$	
			\$		\$	

**PLEASE ATTACH LATEST FORM 5500s, INCLUDING ALL APPLICABLE SCHEDULES AND CURRENT AUDITED FINANCIAL STATEMENTS FOR EACH PLAN.**

5. If any Plan listed in the schedule in question 4. is an Employee Stock Ownership Plan, please complete the following. Otherwise, proceed to question 6.
- (a) Plan name: \_\_\_\_\_
- (b) When was the Plan established? \_\_\_\_\_
- (c) What percentage of the Sponsor Organization's common stock is held by the Plan? \_\_\_\_\_%
- (d) If the stock is not publicly traded on an exchange, how is the stock valued? \_\_\_\_\_
- (e) How often is the stock valued? \_\_\_\_\_
6. If any benefits are from insurance/annuity contracts, please complete the following. Otherwise, proceed to question 7.
- (a) Plan name: \_\_\_\_\_ Insurance carrier: \_\_\_\_\_
- (b) Plan name: \_\_\_\_\_ Insurance carrier: \_\_\_\_\_
7. Have procedures been adopted to ensure that each Plan is administered according to its terms and that it complies in form and operation with ERISA, the Internal Revenue Code of 1986, and other applicable laws and regulations?  Yes  No
8. Please answer the following questions, and explain by attachment to this Application any "Yes" answers.
- (a) Has any Plan filed for exemption from a prohibited transaction?  Yes  No
- (b) Does any Defined Benefit Pension Plan have a funding deficiency?  Yes  No
- (c) Has the Internal Revenue Service withdrawn or threatened to withdraw the tax-exempt status of any Plan?  Yes  No
- (d) Does any Plan hold employer securities or employer real property in violation of ERISA or in excess of amounts permitted by ERISA?  Yes  No
- (e) Is any Plan loan, lease, or debt obligation in default or classified as uncollectible?  Yes  No
- (f) Has any Plan received an adverse opinion as to its financial condition by an independent public accountant?  Yes  No
- (g) Has any person acting as a fiduciary of any Plan been:
- (i) accused or found guilty of a breach of trust?  Yes  No
- (ii) accused or found guilty under any criminal act enumerated in Section 411 of ERISA?  Yes  No
- (iii) refused coverage under a fidelity bond?  Yes  No
9. (a) In the past thirty-six (36) months has a merger, transfer of assets, or termination of a Plan (or Plans) been completed or agreed to?  Yes  No  
If "Yes," please explain in detail: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- (b) Is any merger, transfer of assets, or termination of a Plan (or Plans) expected within the next twelve (12) months?  Yes  No  
If "Yes," please explain in detail: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10. Please list all Plan trustees who are directors, officers, and/or employees of the Sponsor Organization:

Name	Title or Occupation	Date Appointed as Trustee

11. Has any fiduciary of any Plan delegated authority for the management and control of such Plan's assets to any outside consultant(s)?  Yes  No  
 If "Yes," please explain and provide the following information with respect to each Plan.  
 (Please attach supplemental schedule, if necessary.):

Type of Consultant	Name and Address	Years Employed
Investment adviser:		
Actuary:		
Legal counsel:		
CPA:		
Other(s):		

12. During the past three (3) years, has any consultant other than the consultant(s) identified in the answer to question 11. above been delegated any authority for the management and control of any Plan's assets?  Yes  No  
 If "Yes," please explain circumstances: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

13. Does the Sponsor Organization have a financial, equity, or other interest in any consultant identified in the answer to question 11. above, or is any such consultant a director, an officer, and/or an employee of the Sponsor Organization?  Yes  No  
 If "Yes," please explain: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

14. (a) Please attach a list and status of all claims made during the current year and the past three (3) years against any person or entity proposed for this insurance in his or her capacity as a fiduciary of any Plan (please include loss payment and defense costs). (If "None," check here  "None.")

(b) No person or entity proposed for this insurance has any knowledge or information of any fact, circumstance, or situation which might reasonably be expected to give rise to any claim that would fall within the scope of the proposed insurance, except as follows: (If "None," check here  "None.")

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Without prejudice to any other rights and remedies of the Underwriter, any claim arising from any claims, facts, circumstances, or situations required to be disclosed in response to question 14.a. or 14.b. above is excluded from the proposed insurance.**

THE UNDERSIGNED, AS AUTHORIZED AGENT OF ALL INDIVIDUALS AND ENTITIES PROPOSED FOR THIS INSURANCE, DECLARES THAT, TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS IN THIS APPLICATION ARE TRUE AND COMPLETE.

THE INFORMATION IN THIS APPLICATION IS MATERIAL TO THE RISK ACCEPTED BY THE UNDERWRITER. IF A POLICY IS ISSUED IT WILL BE IN RELIANCE BY THE UNDERWRITER UPON THE APPLICATION, AND THE APPLICATION WILL BE THE BASIS OF THE CONTRACT.

THE INFORMATION CONTAINED IN AND SUBMITTED WITH THIS APPLICATION IS ON FILE WITH THE UNDERWRITER, AND ALONG WITH THE APPLICATION WILL BE CONSIDERED PHYSICALLY ATTACHED TO, PART OF, AND INCORPORATED INTO THE POLICY, IF ISSUED.

THE UNDERWRITER IS AUTHORIZED TO MAKE ANY INQUIRY IN CONNECTION WITH THIS APPLICATION. THE UNDERWRITER'S ACCEPTANCE OF THIS APPLICATION OR THE MAKING OF ANY SUBSEQUENT INQUIRY DOES NOT BIND THE APPLICANT OR THE UNDERWRITER TO COMPLETE THE INSURANCE OR ISSUE A POLICY.

IF THE INFORMATION IN THIS APPLICATION MATERIALLY CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE POLICY EFFECTIVE DATE, THE APPLICANT WILL IMMEDIATELY NOTIFY THE UNDERWRITER, AND THE UNDERWRITER MAY MODIFY OR WITHDRAW ANY QUOTATION OR AGREEMENT TO BIND INSURANCE.

THE UNDERSIGNED DECLARES THAT ALL INDIVIDUALS AND ENTITIES PROPOSED FOR THIS INSURANCE UNDERSTAND:

- (A) THIS POLICY APPLIES ONLY TO "CLAIMS" FIRST MADE OR DEEMED MADE AND REPORTED DURING THE "POLICY PERIOD," OR, IF PURCHASED, ANY "EXTENDED REPORTING PERIOD;"
- (B) THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED, BY THE PAYMENT OF "DEFENSE EXPENSES," AND IN SUCH EVENT, THE UNDERWRITER WILL NOT BE RESPONSIBLE FOR THE CONTINUED DEFENSE EXPENSES OR FOR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT TO THE EXTENT THAT ANY OF THE FOREGOING EXCEED ANY APPLICABLE LIMIT OF LIABILITY; AND
- (C) "DEFENSE EXPENSES" WILL BE APPLIED AGAINST THE RETENTION.

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 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 OR AN APPLICATION 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 FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

NOTICE TO MAINE 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 MARYLAND 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 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 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, 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 AN 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.

APPLICANT		
BY <i>(Chairman and/or President)</i>	TITLE	DATE

NOTE: This Application must be signed by the Chairman and/or President of the **Applicant** acting as the authorized agent of all person(s) and entity(ies) proposed for this insurance.

**REQUIRED INFORMATION**

PRODUCED BY <i>(Insurance Agent)</i> Please print and sign name  _____ _____		
INSURANCE AGENCY		
INSURANCE AGENCY TAXPAYER ID OR SOCIAL SECURITY NO.	AGENT LICENSE NO.	
ADDRESS <i>(No., Street, City, State, and ZIP)</i>		
EMAIL ADDRESS		
SUBMITTED BY <i>(Insurance Agency)</i>	INSURANCE AGENCY TAXPAYER ID OR SOCIAL SECURITY NO.	AGENT LICENSE NO.

ADDRESS (No., Street, City, State, and ZIP)