



4. Has the Company been in business longer than three (3) years?  Yes  No
5. Is the Company public-held or a public reporting company under the Securities Exchange Act of 1934?  Yes  No
6. Does the Parent Company own more than three (3) subsidiaries? If yes, please provide details on a separate page.  Yes  No
7. Has the Company in the past 18 months been involved with any actual, negotiated or attempted merger, acquisition or divestment? If yes, please provide details on a separate page.  Yes  No
8. Does the Company contemplate transacting any mergers or acquisitions in the next 12 months where such merger or acquisition would involve more than 50% of the total assets of the Company? If yes, please provide details on a separate page.  Yes  No

## II. Financial Information

1. Describe the following financial information of the Company for the most recent fiscal year-end.

a) Total Assets

\_\_\_ \$0 to 5,000,000  
 \_\_\_ \$5,000,001 to 25,000,000  
 \_\_\_ \$25,000,001 to 100,000,000  
 \_\_\_ \$100,000,001 to 250,000,000  
 \_\_\_ over \$250,000,000

b) Gross Revenues

\_\_\_ \$0 to 5,000,000  
 \_\_\_ \$5,000,001 to 25,000,000  
 \_\_\_ \$25,000,001 to 100,000,000  
 \_\_\_ \$100,000,001 to 250,000,000  
 \_\_\_ over \$250,000,000

c) Net income \_\_\_ or net loss \_\_\_ and applicable amount:

\_\_\_ \$0 to 500,000  
 \_\_\_ \$500,001 to 1,000,000  
 \_\_\_ \$1,000,001 to 3,000,000  
 \_\_\_ \$3,000,001 to 5,000,000  
 \_\_\_ over \$5,000,000

d) Cashflow from operating activities positive \_\_\_ or negative \_\_\_ and applicable amount:

\_\_\_ \$0 to 500,000  
 \_\_\_ \$500,001 to 1,000,000  
 \_\_\_ \$1,000,001 to 3,000,000  
 \_\_\_ \$3,000,001 to 5,000,000  
 \_\_\_ over \$5,000,000

2. Do the current liabilities exceed current assets? If yes, please provide details on a separate page.  Yes  No
3. Do long-term liabilities exceed 75% of total assets? If yes, please provide details on a separate page.  Yes  No
4. Will more than 50% of the total long-term liabilities mature within the next 18 months? If yes, please provide details on a separate page.  Yes  No
5. Has any auditor in the last 2 fiscal years rendered a "going concern" opinion for the financial statements of the Company? If yes, please provide details on a separate page.  Yes  No

**III. Prior Insurance Information**

1. Describe any current insurance maintained. The Continuity Date below means the policy inception date for which the most recent main form application was attached.

<u>Coverage</u>	<u>Yes</u>	<u>No</u>	<u>Limits</u>	<u>Continuity Date</u>
Employment	—	—	_____	_____
Directors and Officers	—	—	_____	_____
Fiduciary	—	—	_____	_____
Crime	—	—	_____	_____
Technology Media, & Professional Services	—	—	_____	_____
Miscellaneous Prof. Services	—	—	_____	_____

2. Has any insurer made payments to or on behalf of any person or entity proposed for this insurance at any time in the last 24 months? If yes, please provide details on a separate page.  Yes  No
3. Has the Company given written notice under the provisions of any current or prior policy providing similar insurance of any specific facts or circumstances which might give rise to a claim under such insurance? If yes, please provide details on a separate page.  Yes  No
4. Has any insurer ever cancelled or non-renewed any similar insurance? If yes, please provide details on a separate page.  Yes  No

**IV. Prior Activities Information**

1. Within the last three years, has any person or entity proposed for this insurance been the subject of or involved in any:
- a) anti-trust, copyright or patent litigation? If yes, please provide details on a separate page.  Yes  No
  - b) actual or alleged violation of the Employee Retirement Income Security Act of 1974, as amended, or similar law? If yes, please provide details on a separate page.  Yes  No
  - c) actual or alleged breach of trust or fiduciary duty involving any employee benefit plan? If yes, please provide details on a separate page.  Yes  No
  - d) criminal or administrative proceeding alleging violations of any federal or state securities laws or regulations? If yes, please provide details on a separate page.  Yes  No
  - e) litigation, administrative proceeding, demand letter or formal or informal governmental investigation or inquiry including any investigation by the Department of Labor or the Equal Employment Opportunity Commission? If yes, please provide details on a separate page.  Yes  No

**V. Other Information**

1. The undersigned declares that to the best of his/her knowledge the statements herein are true. Signing of this Application does not bind the undersigned to complete the insurance, but it is agreed that this Application shall be the basis of the contract should a Policy be issued, and this application will be attached to and become a part of such Policy, if issued. Insurer hereby are authorized to make any investigation and inquiry in connection with this Application as they may deem necessary.
2. It is warranted that the particulars and statements contained in the Application for the proposed Policy and any materials submitted herewith (which shall be retained on files by Insurer and which shall be deemed attached hereto, as if physically attached hereto), are the basis for the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.
3. It is agreed that in the event there is any material change in the answers to the questions contained herein prior to the effective date of the Policy, the applicant will notify Insurer and, at the sole discretion of Insurer, any outstanding quotations may be modified or withdrawn.
4. It is agreed that in the event there is any misstatement or untruth in the answers to the questions contained herein, Insurer have the right to exclude from coverage any claim based upon, arising out of or in connection with such misstatement or untruth.

Signed: \_\_\_\_\_  
Must Be Signed By an Executive Officer of the Parent Company

Name: \_\_\_\_\_  
Please Print or Type

Capacity: \_\_\_\_\_

Company: \_\_\_\_\_

Date: \_\_\_\_\_  
(Day) (Month) (Year)

Submitted by: \_\_\_\_\_  
(Agent)

Date: \_\_\_\_\_  
(Day) (Month) (Year)

**For purposes of creating a binding contract of insurance by this application or in determining the rights and obligations under such contract in any court of law, the parties acknowledge that a signature reproduced by either facsimile or photocopy shall be the same force and effect as an original signature and that the original and any such copies shall be deemed on and the same document.**

**Please fully complete and attach the Information for the Coverage Section (s) desired.**

**Employment Practices Coverage Section Information**

Is the Parent Company seeking Employment Practices coverage?

Yes

No

If yes, please answer the following questions.

1. Total number of employees (full-time and part-time).

- |       |            |       |                           |
|-------|------------|-------|---------------------------|
| _____ | 0 to 10    | _____ | 151 to 225                |
| _____ | 11 to 30   | _____ | 226 to 300                |
| _____ | 31 to 50   | _____ | 301 to 400                |
| _____ | 51 to 75   | _____ | 401 to 500                |
| _____ | 76 to 100  | _____ | over 500                  |
| _____ | 101 to 150 | _____ | Exact number, if over 500 |

**Note: When answering the above range of employees, multiply the number of part-time employee by a factor of .5 and add to number of full-time employees.**

2. Do more than 25% of all employees currently earn more than \$50,000?

Yes

No

3. Have more than 25% of the officers or management voluntarily left the employ of the Company or had employment with the Company terminated within the last 18 months? If yes, please provide details on a separate page.

Yes

No

4. Does the Company anticipate in the next 12 months, or has the Company transacted in the last 12 months, any plant, facility, branch or office closing, consolidations or layoffs affecting 20% or more of the employees of the Company? If yes, please provide details on a separate page.

Yes

No

5. Describe the internal controls the Company maintains for Employment Practices.

a) Have all management staff and officers attended training and education programs on sexual harassment within the last 18 months?

Yes

No

b) Does labor relations counsel review the employment policies/procedures at least annually?

Yes

No

c) Is there a separate Human Resources Department?

Yes

No

d) Does the Company publish and distribute an employee handbook to every employee?

Yes

No

e) Are there written procedures for handling employee complaints of discrimination or sexual harassment?

Yes

No

f) Are there written procedures for handling employee grievances or complaints?

Yes

No

### Directors & Officers and Company Coverage Section Information

Is the Parent Company seeking Directors & Officers and Company coverage?

Yes  No

If yes, please answer the following questions.

1. Do the Directors and Officers as a whole, directly or indirectly, own or control the voting rights of more than 50% of the outstanding securities of the Parent Company?  Yes  No
2. Within the last 18 months, has the Company transacted or attempted a private debt or equity offering of securities? If yes, please provide details on a separate page.  Yes  No
3. Within the next 18 months does the Company anticipate any:
  - a) private debt equity offering of securities? If yes, please provide details on a separate page.  Yes  No
  - b) public offering of securities? If yes, please provide details on a separate page.  Yes  No
4. Does the Company render any professional services for others for a fee or compensation? If yes, please provide details on a separate page.  Yes  No
5. Does the Company act as a general partner in any partnership? If yes, please provide details on a separate page.  Yes  No
6. Does the Company have any direct or indirect insurance operations? If yes, please provide details on a separate page.  Yes  No

**Fiduciary Coverage Section Information**

Is the Parent Company seeking Fiduciary Liability coverage?  Yes  No

If yes, please answer the following questions.

1. Does the Company have more than five (5) plans to be covered under the proposed insurance? If yes, please provide details on a separate page.  Yes  No

2. Indicate the type of plans to be insured.  
 Pension  Welfare Benefit  Profit Sharing  Employee Stock Ownership

3. Total number of employees currently enrolled in all plans:

<input type="checkbox"/>	0 to 10	<input type="checkbox"/>	151 to 225
<input type="checkbox"/>	11 to 30	<input type="checkbox"/>	226 to 300
<input type="checkbox"/>	31 to 50	<input type="checkbox"/>	301 to 400
<input type="checkbox"/>	51 to 75	<input type="checkbox"/>	401 to 500
<input type="checkbox"/>	76 to 100	<input type="checkbox"/>	over 500
<input type="checkbox"/>	101 to 150	<input type="checkbox"/>	Exact number, if over 500

4. Total asset value of all plans combined for the most recent fiscal year.

<input type="checkbox"/>	\$0 to 1,000,000
<input type="checkbox"/>	\$1,000,001 to 5,000,000
<input type="checkbox"/>	\$5,000,001 to 25,000,000
<input type="checkbox"/>	\$25,000,001 to 100,000,000
<input type="checkbox"/>	over \$100,000,000

5. Do all of the plans conform to the standards of eligibility, participation, vesting and other provisions of the Employee Retirement Income Security Act of 1974, as amended?  Yes  No

6. Are the plans reviewed at least annually to assure that there are no violations of any plan trust agreements, prohibited transactions or party in interest rules?  Yes  No

7. Are any of the plans under funded by more than 30%? If yes, please provide details on a separate page.  Yes  No

8. Does the Company have any delinquent contributions to any plan? If yes, please provide details on a separate page.  Yes  No

9. Have any plans been terminated, suspended, merged or dissolved within the last 24 months? If yes, please provide details on a separate page.  Yes  No

10. Does the Company anticipate terminating, suspending, merging or dissolving any plans within the next 18 months? If yes, please provide details on a separate page.  Yes  No

11. Are more than 10% of the assets of any plan, other than an Employee Stock Ownership Plan, invested in any securities of or loan to the Company? If yes, please provide details on a separate page.  Yes  No

**Crime Coverage Section Information**

Is the Parent Company seeking Crime coverage?

Yes

No

If yes, please answer the following questions.

1. Total number of employees:

- |     |            |       |                           |
|-----|------------|-------|---------------------------|
| ___ | 0 to 10    | ___   | 151 to 225                |
| ___ | 11 to 30   | ___   | 226 to 300                |
| ___ | 31 to 50   | ___   | 301 to 400                |
| ___ | 51 to 75   | ___   | 401 to 500                |
| ___ | 76 to 100  | ___   | over 500                  |
| ___ | 101 to 150 | _____ | Exact number, if over 500 |

2. Number of officers and employees who handle, have custody or maintain records of money, securities or other property:

- \_\_\_ 0 to 5
- \_\_\_ 6 to 15
- \_\_\_ 16 to 50
- \_\_\_ over 50

3. Is there an annual audit or review performed by an independent CPA on the books and accounts, including a complete verification of all securities and bank balances?

Yes

No

4. Are bank accounts reconciled by someone not authorized to deposit or withdraw from those accounts?

Yes

No

5. Is counter signature of checks required?

Yes

No

6. Is the applicant seeking Employee Benefit Plan Crime coverage?

Yes

No

7. Are pre-authorized controls maintained for all programmers and operators?

Yes

No

8. Do audit practices include tests to detect unauthorized programming changes?

Yes

No

9. Are computerized check writing operations segregated from departments that authorize checks?

Yes

No

**Technology, Media, & Professional Services Coverage Section Information**

Is the Parent Company seeking Technology, Media & Professional Services coverage?  Yes  No

If yes, please answer the following questions.

1. How many years have you been in business: 1 2 3 4 5  Greater than 5

2. Limit of Liability desired:

\$1,000,000 \$2,000,000 \$3,000,000 \$4,000,000 \$5,000,000 Other \_\_\_\_\_

Deductible desired: \$5,000 \$10,000 \$25,000 \$50,000 Other \_\_\_\_\_

3. Describe in detail the professional services for which coverage is desired:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

4. a. Is the Applicant engaged in any business other than as described in question 3? If yes, please provide an explanation and estimated receipts.  Yes  No

b. What percentage of the Applicant's business involves subcontracting work to others? \_\_\_\_\_%

5. What industries are the professional services described in question 3 provided to (e.g., government, banking, medical, aviation, etc.)? \_\_\_\_\_

6. Is the Applicant controlled or owned by, or associated or affiliated with, or does it own, any other firm business enterprise? If yes, please attach an explanation. Yes  No

7. Are any significant changes in the nature or size of the Applicant's business anticipated over the next 12 months? Or have there been any such changes in the past 12 months? If yes, please attach an explanation (change in size of less than 25% need not be explained.) Yes  No

8. Please indicate the total annual gross revenues derived from the services described in Question 3 for the past two years and the projected revenues for the current year:

<u>Next Year</u>	<u>Current Year</u>	<u>Prior Year</u>
\$ _____	\$ _____	\$ _____

9. a. Number of all principals, partners, officers and professional employees: \_\_\_\_\_

b. Average years of experience for the above mentioned for services requesting coverage: \_\_\_\_\_

c. Number of all non-professional employees (clerks, secretaries, etc.) \_\_\_\_\_

10. Please provide your Internet address(es) and/or World Wide Web Address(es): \_\_\_\_\_

11. Has the Applicant obtained all necessary rights, licenses, releases and consents applicable to content created or provided by Applicant? Yes  No

12. Does the Applicant edit or review content created or provided to the Applicant by others?  Yes  No
13. Does the Applicant have an established procedure to safeguard against infringing upon copyrights/trademarks, etc. of others? If yes, please attach a copy of written description of procedure.  Yes  No
14. Does the Applicant verify that all necessary rights, licenses, releases and consents have been obtained by those parties providing consent?  Yes  No
15. Do those parties providing content to the Applicant indemnify the Applicant, in writing, for any claims arising out of the use of the content provided?  Yes  No
6. Prior to publishing content or releasing packaged or custom software/hardware, do you have an attorney facilitate a patent/copyright/trademark search? If yes, please give name of the attorney's firm: \_\_\_\_\_  Yes  No
17. Describe the Applicant's policies and procedures for removing controversial or potentially infringing material:  
\_\_\_\_\_  
\_\_\_\_\_
18. Do you have a safety procedure in place to prevent the transmission of viruses? If yes, please explain.  Yes  No  
\_\_\_\_\_  
\_\_\_\_\_
19. Are all of your PC's equipped with anti-virus software? If yes, what brand?  Yes  No  
\_\_\_\_\_
20. Are there firewalls in place as a part of your security system?  Yes  No
- a) What firewall security do you employ? \_\_\_\_\_  Yes  No
- b) Was it configured by professional personnel?  Yes  No
- c) Did you alter it in any way before installing it?  Yes  No
21. What kind of safeguards do you have in place to prevent unauthorized persons from accessing your Web Sites or On-Line Service database? \_\_\_\_\_  
\_\_\_\_\_
22. Have any principals, partners, officers or professional employees ever been the subject of reprimand or disciplinary or criminal actions by authorities as a result of their professional activities? If yes, please attach details.  Yes  No
23. Does any person to be insured have knowledge or information of any act, error or omission which might reasonably be expected to give rise to a claim against him or his predecessors in business? If yes, please attach details.  Yes  No
24. Have any errors and omissions claims been made against any proposed assured(s)? If yes, please attach details.  Yes  No
25. Has the Applicant been a party to any lawsuit or other legal proceedings within the past 5 years? If yes, please attach details.  Yes  No

**Miscellaneous Professional Services Coverage Section Information**

Is the Parent Company seeking Miscellaneous Professional Services coverage?  Yes  No

If yes, please answer the following questions.

1. Describe in detail the professional services for which coverage is desired:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. Is the applicant engaged in any business other than as described in question 1.? \_\_\_\_\_

If yes, please attach an explanation and estimated receipts.

3. What percentage of the applicant’s business involves subcontracting work to others? \_\_\_\_\_ %

4. List the total gross receipts for the past year which were derived from the services listed in question 1. In addition, please provide the projected receipts for the coming year in which insurance coverage is desired.

<b>Year</b>	<b>Gross Receipts</b>
a. Next Year	\$ _____
b. Current Projected Year	\$ _____
c. Prior Year	\$ _____

5. a. What is the number of all principals, partners, officers and professional employees directly engaged in providing services to clients: \_\_\_\_\_

b. Average years of experience for the above mentioned for services requesting coverage: \_\_\_\_\_

6. Please provide the following:
- a. Standard contract(s) used.
  - b. Descriptive or promotional brochures.
  - c. Website address.

7. Have any principals, partners, officers or professional employees ever been the subject of reprimand or disciplinary or criminal actions by authorities as a result of their professional activities? If yes, please provide details on a separate page.

Yes  No

8. Does any person to be insured have knowledge or information of any act, error or omission which might reasonably be expected to give rise to a claim against him or his predecessors in business? If yes, please provide details on a separate page.

Yes  No

9. Have any professional liability claims ever been made against any proposed assured(s)? If yes, please provide details on a separate page.

Yes  No