Application

Financial Institutions

MANAGEMENT & PROFESSIONAL
LIABILITY INSURANCE

FINANCIAL INSTITUTIONS
Management & Professional Liability Insurance Application

Application for claims-made and reported Management & Professional Liability Insurance policy, limited to only those claims first made against the insured and reported in writing to the insurer during the policy period or an extended reporting period, if applicable.

This application applies to many coverage parts. Accordingly, it is only necessary to complete those portions of this application that explicitly apply to:

(i) all coverage parts; AND
(ii) those particular coverage parts for which coverage is currently being sought.

It is agreed that in granting coverage under this Policy, the Insurer has relied upon the information and materials described below and any other material submitted by the Applicant in connection with the underwriting of this Policy.

Applicant Name ______________________________

Street Address ______________________________ Suite ____________

City ____________ County ____________ State ________ Zip Code ____________

Mailing Address *(if different)* ______________________________ Suite ____________

City ____________ County ____________ State ________ Zip Code ____________

FEIN ____________ Website Address ______________________________

Officer designated to receive correspondence & notices from the Insurer:

Primary Contact ______________________________ Title ______________________________

Email ____________________ Telephone ____________________ Fax ____________________

A. GENERAL INFORMATION

Applicable to all Coverage Parts

1. State of Incorporation:	2. Date Established:	3. SIC/NAIC

4. Form of Business *(Mark ONE)*

- ☐ Private - For Profit
- ☐ Not-for-Profit
- ☐ LLP
- ☐ Sole Proprietorship/Individual
- ☐ Partnership
- ☐ LLC
- ☐ Joint Venture

5. Nature of Operations:

6. Does the Applicant now have recognized tax-exempt status under the U.S. Internal Revenue Code?

YES ☐ NO ☐

CURRENT COVERAGE:

	Carrier	Limit	Retention	Shared Limits (Y/N)	Expiration Date	Prior & Pending Litigation Date
Directors & Officers		$	$			
Advisor Professional Liability		$	$			
Fund Professional Liability		$	$			
Employment Practices		$	$			
Fiduciary		$	$			
Crime		$	$			
Employed Lawyers		$	$			

REQUESTED COVERAGE:

	Coverage Requested	Limit	Retention	Shared Limits (Y/N)	Expiration Date	Prior & Pending Litigation Date
Directors & Officers	YES ☐ NO ☐	$	$			
Advisor Professional Liability	YES ☐ NO ☐	$	$			
Fund Professional Liability	YES ☐ NO ☐	$	$			
Employment Practices	YES ☐ NO ☐	$	$			
Fiduciary	YES ☐ NO ☐	$	$			
Crime	YES ☐ NO ☐	$	$			
Employed Lawyers	YES ☐ NO ☐	$	$			

B. FINANCIAL & CLAIMS INFORMATION

1. Have you ever been subject to an inquiry, investigation, or action by any regulatory body or administrative agency? YES ☐ NO ☐

2. Have you ever been subject to a criminal action related to your private investment fund activities? YES ☐ NO ☐

3. Have you ever been involved in any antitrust, copyright or patent litigation? YES ☐ NO ☐

   If **YES** to any of the above, please attach details.

4. Is the Applicant currently *(or in last 24 months)* in violation of or made any amendments to any debt covenants? YES ☐ NO ☐

   If **YES**, please attach details.

5. Has the Applicant changed outside auditors in the last 3 years? YES ☐ NO ☐

   If **YES**, please attach details.

6. During the past 3 years, has an outside auditor stated there is a material weakness in the Applicant's systems or controls, or issued a "going concern" opinion for the Applicant's financial statements? YES ☐ NO ☐

   If **YES**, attach explanation, include the CPA letter and management response.

7. Has the Applicant implemented the auditor's recommendations? YES ☐ NO ☐

   If **NO**, please attach details.

Additional Information Requested:

1. Most recent audit or compilation; and
2. Interim YTD Balance Sheet, Income Statement & Statement of Cash Flows

C. DIRECTORS & OFFICERS LIABILITY COVERAGE

1. Please Provide information regarding the Applicant's outstanding ownership, including individual & corporate names:

Names of Security Holders owning more than 5 percent of Total Outstanding Common Stock, Membership Units or Preferred Stock	Percent Owned	Voting Rights	Representation on the Board of Directors
	%	YES ☐ NO ☐	YES ☐ NO ☐
	%	YES ☐ NO ☐	YES ☐ NO ☐
	%	YES ☐ NO ☐	YES ☐ NO ☐
	%	YES ☐ NO ☐	YES ☐ NO ☐

2. Is any shareholder a trust that qualified as an Employee Stock Ownership Plan under ERISA or holds securities for the benefit of employees? YES ☐ NO ☐

3. Has the Applicant experienced changes to its Board of Directors or to its Key Executives over the past year?
   YES ☐ NO ☐
   If **YES**, please attach details.

4. Does Applicant have any of the following committees?
   Audit: YES ☐ NO ☐ **Compensation:** YES ☐ NO ☐ **Nominating:** YES ☐ NO ☐

5. Does the charter or by laws of the Applicant contain indemnification provisions? YES ☐ NO ☐

6. Are there currently outstanding loans to any Director or Officer? YES ☐ NO ☐
   If **YES**, please attach details.

7. In the next 12 months (or in the past 24 months) is the Applicant contemplating or contemplated any of the following:
   a. Any actual or proposed merger, acquisition, or divestiture? YES ☐ NO ☐
   b. Any creation of a new organization, subsidiary, or division? YES ☐ NO ☐

   If **YES**, please attach details.

8. Any reorganization or arrangement with creditors under federal or state law? YES ☐ NO ☐

If **YES**, attach details.

9. Does the Applicant currently file, or plan to file in the next 12 months, any documents with the Securities and Exchange Commission regarding any equity or debt offering including private placements?

YES ☐ NO ☐

If **YES**, attach details.

10. Attach a complete list of any and all subsidiaries or affiliates for which coverage is being requested.

The following questions *(11-14)* are for Not-For-Profit Organizations only.

11. Does the Applicant perform any of the following services: If **YES**, please attach an explanation.

a. Engage in or sponsor product or service research, standards development, experimentation, safety or performance testing?	YES ☐	NO ☐
b. Negotiate labor contracts or provide arbitration services?	YES ☐	NO ☐
c. Conduct professional ethics, peer review or accreditation activities?	YES ☐	NO ☐
d. Certify, endorse or license members or members' products/services?	YES ☐	NO ☐
e. Promote, sponsor or provide any form of insurance to its members or non-members?	YES ☐	NO ☐
f. Sponsor or operate a political action committee?	YES ☐	NO ☐
g. Provide a referral service, legal aid service or computer service to its members or non-members?	YES ☐	NO ☐
h. Promote or sponsor any type of group travel, convention, parade or other similar event or assume liability in connection therewith?	YES ☐	NO ☐
i. Provide administrative or management services for any entity(ies)?	YES ☐	NO ☐
j. Publishing, other than a newsletter?	YES ☐	NO ☐

12. Is the Applicant managed by any third party under contract or agreement? YES ☐ NO ☐

If **YES**, please attach details.

13. Does the Applicant currently carry General Liability Insurance? YES ☐ NO ☐

14. If applicable, please indicate the following:

Number of Members: ____________ Number of Chapters: ____________ N/A ☐

D. ADVISORS PROFESSIONAL LIABILITY COVERAGE

1. Are you an SEC or State Registered Investment Advisor? YES ☐ NO ☐

2. Please complete the following:

	CURRENT CALENDAR YR	1 CALENDAR YR PRIOR	2 CALENDAR YRS PRIOR
Total AUM	$	$	$
Assets Managed in Separate Accounts	$	$	$
Assets Managed in Mutual Funds	$	$	$

3. Market value of largest account: $ ____________________

4. Net inflow (outflow) of investor assets in the last 12 months: $ ____________________

5. Net inflow (outflow) of number of clients in the last 12 months: $ ____________________

6. Are you considering the formation of a new private fund in the next 12 months? YES ☐ NO ☐

7. Do you have a full-time Chief Compliance Officer? YES ☐ NO ☐

   If **NO**, who performs that function? ____________________

8. Please list all regulators or self-regulatory organizations with which you are registered:

9. Have you ever been fined by any regulatory agency? YES ☐ NO ☐

   If **YES**, please explain.

10. Please provide the following information regarding your fund service providers:

SERVICE PROVIDER	NAME	AFFILIATED WITH INSURANCE?		YEARS OF SERVICE
General Distributor		YES ☐	NO ☐	
Transfer Agent		YES ☐	NO ☐	
Administrator		YES ☐	NO ☐	
CPA		YES ☐	NO ☐	
Legal Counsel		YES ☐	NO ☐	

Additional Information Requested:

1. Most recent SEC examination letter & management response letter.
2. Composite performance information.

E. FUND PROFESSIONAL LIABILITY COVERAGE

1. Please select the most relevant fund strategy:

- Venture Capital ☐
- Growth Equity ☐
- Leveraged Buy-Out ☐
- Private Credit ☐
- Fund of Funds ☐
- Fundless Sponsor ☐
- Special Situations ☐
- SBA ☐
- Other ☐

(please explain): ____________________

2. Please provide the percentage of each investor type:

Unaccredited Individuals	%	Accredited Individuals	%	Pensions	%
Endowments/Foundations	%	Fund of Funds	%	Family Offices	%
Sovereign Wealth	%	Other Institutions	%	Other	%

Please explain "other" if a percentage is listed above.

3. Do you receive fees from portfolio companies? YES ☐ NO ☐

If **YES**, are these fees used to offset management fees? YES ☐ NO ☐

4. Do you receive fees from third parties other than portfolio companies? YES ☐ NO ☐

If **YES**, please describe.

5. Are you considering the formation of a new private fund in the next 12 months? YES ☐ NO ☐

If **YES**, please describe strategy, industry focus & size.

6. Have there been changes to senior management in the last 3 years? YES ☐ NO ☐

If **YES**, please explain.

7. Do you have a full-time Chief Compliance Officer? YES ☐ NO ☐

If **NO**, who performs that function? ____________________

8. Have there been changes to third party service providers including CPAs & legal counsel in the last 3 years? YES ☐ NO ☐

If **YES**, please explain.

9. Do you take board seats at portfolio companies? YES ☐ NO ☐

If **YES**, do you require the portfolio companies to carry D&O insurance? YES ☐ NO ☐

If **YES** to both, please attach a list of board seats held & amount of D&O insurance held by each.

10. Is any portfolio company of any private investment fund to be insured:

a. in breach of any covenants under any of its agreements? YES ☐ NO ☐

b. in the process of liquidation or dissolution, or has filed for bankruptcy (or contemplating any of the foregoing)? YES ☐ NO ☐

If **YES** to either of these questions, please provide details, including amount & timing of maturities & any workout plans or attach additional information.

11. Has any portfolio company of any private investment fund to be insured used the proceeds of a debt or equity offering to pay a dividend to shareholders in the past 24 months? YES ☐ NO ☐

If **YES**, please explain.

12. Has any person or organization to be insured recommended the dismissal of, or any other adverse employment-related action to be taken against, any member of a portfolio company's management? YES ☐ NO ☐

If **YES**, please explain.

Additional Information Requested:

1. Most recent audited financial statements for each fund proposed for coverage.
2. Most recent quarterly report to investors for each fund proposed for coverage.
3. Offering memorandums and/or partnership agreement for each fund proposed for coverage.

F. EMPLOYMENT PRACTICES LIABILITY COVERAGE

1. Number of Employees:

	Current Year Union	Current Year Non-Union	Previous Year Union	Previous Year Non-Union
Full Time Employees				
Part Time / Seasonal / Temporary Employees				
Independent Contractors				
Volunteers				
Total Employees *(includes all above)*	0	0	0	0

2. Percentage of employees in the following states:

	Current Year	Previous Year
California	%	%
Florida	%	%
Michigan	%	%

	Current Year	Previous Year
New Jersey	%	%
New York	%	%
Texas	%	%

3. Percentage of employees earning the following annual salary:

Under $75,000	$75,001 - $150,000	$150,001 - $250,000	Over $250,000
%	%	%	%

4. Employee turnover percentage for the last three (3) years:

Current Year: %	1st Previous Year: %	2nd Previous Year: %

5. Does the Applicant have a Human Resource Department? YES ☐ NO ☐

If **NO**, attach details as to how are these issues handled, and by whom.

6. Does the Applicant or any of its subsidiaries have an Employee Handbook, a Human Resource Manual or equivalent written management guidelines? YES ☐ NO ☐

   If **YES**, does it address the following:

a.	Discrimination	YES ☐	NO ☐
b.	Sexual Harassment	YES ☐	NO ☐
c.	Compliance with Americans with Disabilities Act	YES ☐	NO ☐
d.	Compliance with the 1991 Civil Rights Act	YES ☐	NO ☐
e.	Compliance with the Family Medical Leave Act	YES ☐	NO ☐
f.	Employee Disciplinary Actions, Terminations, Layoffs	YES ☐	NO ☐
g.	Employee Appraisals / Reviews	YES ☐	NO ☐

7. Has Legal Counsel reviewed the Human Resource Guidelines in the last 2 years?

   YES ☐ NO ☐

8. Is there a formalized process in place for reporting complaints / harassment?

   YES ☐ NO ☐

9. Are employment issues relating to terminations, discriminations, sexual harassment, layoffs, transfers, or promotions handled by the Human Resource Department, outside counsel and or the legal department?

   YES ☐ NO ☐

10. Is the Applicant or any of its subsidiaries currently undergoing, or does the Applicant or any of its Subsidiaries contemplate undergoing the next twelve (12) months, any employee layoffs or early retirements?

    YES ☐ NO ☐

    If **YES**, please attach details.

11. When an employee is terminated, are severance packages offered in exchange for releases not to sue?

    YES ☐ NO ☐

12. Does the Applicant or any of its subsidiaries have procedures in place to assist terminated or laid off employees find work?

    YES ☐ NO ☐

G. FIDUCIARY LIABILITY COVERAGE

Complete the following questions for each plan for which coverage is being requested:

Plan Name	Plan Type*	Plan Assets	# of Participants	Percent Funded (DB only)	Plan Status **
		$		%	
		$		%	
		$		%	
		$		%	
		$		%	

** Plan Type:* DC = *Defined Contribution* | DB = *Defined Benefit* | ESOP = *Employee Stock Ownership Plan* | W = *Welfare* | O = *Other*
*** Plan Status:* A = *Active* | F = *Frozen* | M = *Merged* | T = *Terminated*

1. Is each plan reviewed at least annually to assure there are no violations of ERISA?
   YES ☐ NO ☐

2. Do all plans conform to the standards and requirements of ERISA? YES ☐ NO ☐

3. Has any plan:
   - **a.** been the subject of any investigation by the Department of Labor, IRS, or similar agency? YES ☐ NO ☐
   - **b.** had its tax exempt status withdrawn or threatened to be withdrawn by the IRS? YES ☐ NO ☐
   - **c.** filed for exemption from a prohibited transaction YES ☐ NO ☐
   - **d.** received an adverse opinion as to its financial condition by an independent public accountant? YES ☐ NO ☐

   If **YES** to any above, please attach details.

Questions 4 & 5 are for Defined Benefit Plans Only

4. Has any Defined Benefit Plan:
   - **a.** experienced an event reportable to the Pension Benefit Guaranty Corporation? YES ☐ NO ☐
   - **b.** not been certified by an actuary to be adequately funded in accordance with ERISA's minimum funding standard? YES ☐ NO ☐
   - **c.** been converted into a cash balance plan or is any such conversion expected in the next 12 months? YES ☐ NO ☐

If **YES** to any above, please attach details.

5. Are there any outstanding or delinquent plan contributions or plan loans, leases or debt obligations that are in default or classified as uncollectible? YES ☐ NO ☐

Questions 6, 7 & 8 are for ESOP Plans Only

6. Date ESOP established: ______________________

7. Is the ESOP plan leveraged? YES ☐ NO ☐

   If **YES**, what percentage? ______________ %

8. Provide most recent ESOP valuation and audit.

H. EMPLOYED LAWYERS LIABILITY COVERAGE

1. How many lawyers do you employ in their capacity as such? ______________________

2. What is the average experience (in yrs.) of your employed lawyers? ______________________

3. Do any employed lawyers:

   a. Provide *pro bono* services? YES ☐ NO ☐

   b. Perform moonlighting services? YES ☐ NO ☐

   c. Issue legal opinions to outside parties? YES ☐ NO ☐

   d. Perform legal services related to mergers, acquisitions or consolidations? YES ☐ NO ☐

   e. Appear in court on your behalf or on behalf of any other party? YES ☐ NO ☐

   f. Perform any securities-related legal services for you or any other party? YES ☐ NO ☐

   g. Serve on the Board of Directors of the Applicant or any of its subsidiaries? YES ☐ NO ☐

   h. Provide legal services related to criminal, matrimonial, or intellectual property matters, or estate/financial planning service? YES ☐ NO ☐

   If **YES** to any above, please attach details.

I. LOSS INFORMATION

1. During the past five (5) years and with respect to each liability coverage requested, has the company, any individual, or any other entity proposed for coverage under this insurance policy previously or currently been involved in or been a party to, or subject of, any administrative or regulatory proceedings or investigation, civil or criminal charges, hearings, demands or lawsuits?

   YES ☐ NO ☐

   If **YES**, attach full details.

2. Is the applicant, any subsidiary, or any Director, Officer, Trustee, Employed Lawyer, or employee of the Applicant aware of any fact, circumstance, situation, event, act, error or omission, that could give rise to a claim, being made against them under the proposed liability coverage for which the applicant is applying?

   YES ☐ NO ☐

   If **YES**, attach full details.

It is agreed that any claim based upon, arising out of, directly or indirectly resulting from, or in any way involving any fact or circumstance set forth or that should have been set forth in questions 1. or 2. above will be excluded from the proposed coverage.

J. ATTESTATION

Please Read Carefully

The undersigned, acting on behalf of the applicant and all proposed insureds, declare that the statements set forth herein are true and accurate and that thorough efforts have been made to obtain sufficient information from each proposed insured in order to facilitate proper and accurate completion of this application.

The undersigned agree that the application and all other materials submitted to the insurer are their statements, are incorporated in and constitute a part of the policy, and shall be deemed attached to the policy as if physically attached. The undersigned represent that the statements and representations in the application and all other materials submitted to the insurer shall be deemed material to the acceptance of the risk and that the policy is issued in reliance upon the truth and accuracy of such statements and representations. It is agreed by the undersigned, this application, together with any other materials submitted to the insurer, have been completed as respects to the entire applicant and all proposed insureds.

The undersigned further declare that if any significant change in the condition of the Applicant or proposed insureds is discovered, between the date this Application was signed and the effective date of the policy, which would render the information in this Application inaccurate or incomplete, any such information will immediately be reported in writing to the insurer and the insurer may withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance. The undersigned and insurer agree that the signing of this application does not bind the undersigned to purchase the insurance.

SIGNATURE

By: ______________________________

Name *(Please type or print)*: ______________________________

Title *(Must be Signed by President, CEO, CFO or Managing Partner)*: ______________________________

Date Signed: ______________________________

K. FRAUD WARNING

All States (Unless a State-Specific Fraud Waring Applies)

NOTICE TO 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 act, which is a crime and may subject such person to criminal and civil penalties.

State-Specific

NOTICE TO ARKANSAS, NEW MEXICO AND WEST VIRGINIA 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 insurance 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 authorities. 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 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 insurance company. Penalties may include imprisonment, fines or a denial of insurance benefits. NOTICE TO MARYLAND APPLICANTS: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. 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 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 OREGON APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison. 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, VIRGINIA AND WASHINGTON APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the insurance company. Penalties include imprisonment, fines and denial of insurance benefits. NOTICE TO VERMONT 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 act, which may be a crime & may subject such person 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.