



Private Company Select Insurance Policy Application

THE LIABILITY COVERAGE PARTS, IF PURCHASED, ARE ON A CLAIMS MADE AND REPORTED BASIS AND COVER ONLY CLAIMS FIRST MADE AGAINST THE INSURED(S) DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD OR RUN-OFF COVERAGE PERIOD, IF EXERCISED, AND REPORTED TO THE UNDERWRITER AS REQUIRED BY THE POLICY. THE LIMITS OF LIABILITY AND ANY RETENTION SHALL BE REDUCED BY AMOUNTS INCURRED AS DEFENSE COSTS. PLEASE READ CAREFULLY.

INSTRUCTIONS

1. THIS APPLICATION ONLY APPLIES TO PRIVATE HELD ORGANIZATIONS.
2. THIS APPLICATION MUST BE COMPLETED IN FULL INCLUDING ALL REQUIRED ATTACHMENTS.
3. THIS APPLICATION AND ALL ATTACHMENTS SHALL BE DEEMED TO BE ATTACHED TO AND FORM A PART OF THE POLICY IF ISSUED.
4. THE TERMS **CLAIM, CLIENT, COMPUTER SYSTEMS, EMPLOYEES, EMPLOYEE BENEFIT PLAN, COMPANY, INSURED PERSON(S), INSURED(S), MANAGERS, MESSENGER, MONEY, OUTSIDE POSITION, PLAN, POLICYHOLDER, PROPERTY, SECURITIES, SUBSIDIARY**, AND UNDERWRITER HAVE THE SAME MEANING IN THIS APPLICATION AS IN THE POLICY.
5. IF THIS IS A RENEWAL FOR ANY COVERAGE PART, PLEASE DO NOT ANSWER QUESTION 7 FOR SUCH COVERAGE PART.
6. COVERAGE PARTS REQUESTED (Application section must be completed for each Coverage Part selected.):
 - Management and Company Liability
 - Employment Practices and Third Party Discrimination Liability
 - Fiduciary Liability
 - Crime
7. IF THE **POLICYHOLDER** AND ITS **SUBSIDIARIES** PROVIDE MEDICAL SERVICES, PLEASE COMPLETE THE APPROPRIATE SUPPLEMENT.

NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company and its underwriting subsidiaries.

1. GENERAL INFORMATION

- a. Name of **Policyholder**: _____
- b. Address: _____

- c. State of Incorporation/
Organization: _____
- d. Organization Type
(corporation, LLC, sole
proprietorship etc.): _____
- e. Date Established: _____
- f. Website Address: _____
Insurance Contact: _____
Title: _____
Phone Number: _____
E-mail address: _____

2. OWNERSHIP AND OPERATIONAL INFORMATION

(Please respond regardless of what Coverage Parts are sought)

- a. Nature of operations of **Policyholder** and **Subsidiaries**: _____ SIC Code: _____
- b. Does another entity own or control the **Policyholder**? Yes No
(if "Yes", attach details)
- c. i. Does the **Policyholder** have any **Subsidiaries** or control or sponsor, directly or indirectly through one or more **Subsidiaries**, any other organization? Yes No
(if "Yes", attach details)
- ii. Is any such entity a for profit organization, joint venture or partnership? Yes No
(if "Yes", attach details)
- d. Number of common shares outstanding:
- e. Number of common equity shareholders:
- f. Percentage of common equity shares owned directly or beneficially by all officers and directors as a group:
- g. Is there any shareholder(s) or group of affiliated shareholders (including an employee stock ownership plan) who owns 10% or more of the common equity shares directly or beneficially? Yes No
(if "Yes", attach details)
- h. Indicate if the **Policyholder** or any **Subsidiary** provides professional services to others, including but not limited to any medical or consulting services. Yes No
(if "Yes", attach details)
- i. Does the **Policyholder** or any **Subsidiary** publish any print or electronic media, including books, magazines, periodicals, blogs or newsletters? Yes No
(if "Yes", attach details)

j. Please provide the following financial information (only answer if an audited financial statement does not exist):

Total assets: \$

Current assets: \$

Total liabilities: \$

Current liabilities: \$

Total Equity: \$

Total Revenues/Contributions: \$

- k. Has an independent CPA rendered a going concern opinion in the past 36 months? Yes No
(if "Yes", attach details)
- l. Has the **Policyholder** or any **Subsidiary** been the subject of any bankruptcy proceeding or legal or financial reorganization in the past two (2) years? Yes No
(if "Yes", attach details)
- m. Is the **Policyholder** considering any private or public offering of debt or equity securities in the next 18 months? Yes No
(if "Yes", attach details)
- n. In the next 12 months is the **Policyholder** or any **Subsidiary** contemplating, or in the past 24 months has any such **Company** completed, any merger, acquisition or consolidation? Yes No
(if "Yes", attach details)
- o. Is any **Insured Person** indebted to the **Entity**? Yes No
(if "Yes", attach details)
- p. Is any **Insured Person** serving in an **Outside Position**? Yes No
(if "Yes", attach details)
- q. Total Number of independent directors who left the board of the **Policyholder** in the past five (5) years:
- r. Is the **Policyholder** or any **Subsidiary** incorporated under the laws of a jurisdiction outside the United States or does the **Policyholder** or any **Subsidiary** have assets in or obtain revenues from such a jurisdiction? Yes No
(if "yes", please complete Multi-National Insurance Proposition Questionnaire for the relevant Coverage Part(s))
- s. Does the **Policyholder** or any **Subsidiary** lobby or sponsor a political action committee? Yes No
(if "Yes", attach details)
- r. Does the **Policyholder** or any **Subsidiary** make any representations to consumers, customers or investors regarding any such **Company** or its products "green" status, the management of its carbon footprint or that it otherwise runs its operations in an environmentally conscious manner? Yes No
(if "Yes", attach details)
- s. Has the **Policyholder** or any **Subsidiary** filed within the last 12 months, or are any of them in the process of filing, any corporate climate change related or environmental disclosures (other than in connection with the Securities and Exchange Commission), including, but not limited to, submissions made to the Carbon Disclosure Project (CDP), FTSE 4 Good, CERES or ABI Climate Wise? Yes No
(if "Yes", attach details, including the entities or programs to whom submissions were provided)

3. EMPLOYMENT INFORMATION

(Please complete only if the Employment Practices and Third Party Discrimination Liability Coverage Part is requested)

- a. **Employee Count** (include leased, seasonal, volunteers and independent contractors):

Total Worldwide Employees:

Breakdown of Employee Count (Total of all categories should equal Total Worldwide Employees. Full-Time employees should not include Union Employees)

	Full Time	Part Time	Union	Volunteer
Total U.S.:				
California:				
Total for Florida, Texas, Michigan:				
Total Non-U.S.:				

- b. Total number of terminations (not including lay-offs, reductions-in-force or downsizings) within last 3 years:

- c. Turnover rate (separations/average # of employees) within last 3 years:

Year – 1 (Current Year)	Year - 2	Year - 3

- d. Percentage of employees with compensation:

Less than \$50,000/year: %

Between \$50,000 and \$100,000/year: %

Between \$100,000 and \$250,000/year: %

Greater than \$250,000/year: %

- e. Has the **Policyholder** had within the last 3 years or anticipate in the next 2 years any facility closings, consolidations, layoffs or staff reductions which will result in the termination of more than 5% of the workforce at any one business location? Yes No
If yes, how many employees will be (were) affected?
- f. Does the **Policyholder** have a human resources or personnel department? Yes No
If no, who performs such functions?
- g. When an employee is discharged, is officer approval required and are human resource personnel directly involved? Yes No
(if "No", attach details)
- g. Is outside counsel consulted for all terminations prior to their occurrence? Yes No
(if "No", attach details)
- i. Does the **Policyholder** use an employment application for all applicants for employment? Yes No
- j. Does the **Policyholder** use any tests to screen applicants for employment or existing employees for continued employment or promotion? Yes No
- k. Does the **Policyholder** have an employee handbook? (If no, skip to next question.) Yes No
 - i. If yes, is it distributed to all employees? Yes No
 - ii. If yes, do employees certify in writing that they have reviewed the handbook and agree to comply with the policies and procedures set forth therein? Yes No

- i. Does the **Policyholder** have a human resources manual or equivalent written management guidelines? Yes No
- ii. Did outside legal counsel review these policies prior to implementation? Yes No
- iii. Does the **Policyholder** provide formal training in these policies for its supervisors? Yes No
- m. What percentage of employees have direct contact with the general public? %

4. PLAN INFORMATION

(Please complete only if the Fiduciary Liability Coverage Part is requested)

- a. For the three largest **Plans** (by asset size), please provide the following information (only answer if an audited financial statement does not exist and attach a separate sheet if there are more than two **Plans** sponsored by the **Policyholder** and its **Subsidiaries**):

	Plan 1	Plan 2	Plan 3
Name:			
Type (i.e. defined contribution, defined benefit, health, welfare):			
Year of financial information supplied below:			
Total Assets:			
Total Liabilities:			
Number of Participants:			
Investment Manager:			
Plan Administrator:			

- b. i. If there is an independent investment manager? Yes No
- ii. If no, who is responsible for making investment decisions?
- c. How are health and welfare plan benefits provided? Self Funded Insurance Mini Med
If insured, please identify the insurer(s):
- d. Have there been any **Plan** mergers within the last 24 months? Yes No
(if "Yes", attach details)
- e. Has any **Plan** been terminated or frozen within the last 24 months? Yes No
(if "Yes", attach details)
- f. Have the **Plans** been reviewed to assure that there are no violations of prohibited transactions and party-in-interest rules? Yes No
(if "Yes", attach details)
- g. In the opinion of the **Plans'** actuary, are all **Plans** adequately funded in accordance with ERISA? Yes No
(if "No", attach details) No funded **Plans**
- h. Does each **Plan** conform to the standards of eligibility, participation, vesting, funding and other provisions of ERISA? Yes No
(if "No", attach details) No funded **Plans**
- i. Are there any outstanding delinquent contributions? Yes No
(if "Yes", attach details)

- j. Has any **Plan** experienced any event reportable to the U.S. Pension Benefit Guaranty Corporation? Yes No
(if "Yes", attach details)
- k. Does any **Plan** hold or invest in any securities of **Policyholder** or any **Subsidiary**? Yes No
(if "Yes", attach details)

5. CRIME INFORMATION

(Please complete only if a quote for Crime Coverage Part is requested)

a.

Coverage(s) Requested:	Limit	<u>Deductible</u>
Employee Theft		
Clients' Property		
Forgery or Alteration: Checks Forgery		
Forgery or Alteration: Credit, Debit or Charge Card Forgery		
On Premises		
In Transit		
Computer Fraud		
Funds Transfer Fraud		
Money Orders and Counterfeit Money		
Electronic Data or Computer Programs Restoration Costs		
Investigation Expenses		

b.

Countries of operations	Type of Operations	Locations	Employees	Revenues
				\$
				\$
				\$

- c. Of the total **Employees** listed above:
- i. Please list the total number of Officers and Management Positions:
Officers and Management Positions include directors, trustees, president, administrators and **Managers** who handle funds or other property of **Employee Benefit Plans** subject to ERISA.
- ii. Please list the total number of all Other Class 1 **Employees**:
Other Class 1 **Employees** include **Employees** who handle, have custody or maintain records of **Money, Securities or Property**, i.e. cashiers, bookkeepers, collectors, janitors, **Messengers**, receiving & shipping clerks, truck drivers, salespeople etc.
- c. Are the **Policyholder** and its **Subsidiaries'** books/financial statements audited by an independent C.P.A.? Yes No
(if "Yes", attach details)

- d. Did the CPA firm or internal audit staff identify any material weaknesses or significant deficiencies in internal controls during the current or prior year? Yes No
(if "Yes", attach details)
- e. How often does the internal audit department audit locations:
- f. Has the auditing firm or internal audit department made any recommendations that have not been adopted? Yes
 No
(if "Yes", attach a description and corrective measures and implementation timeframe) N/A
- g. Are the following background checks performed on all new hires? Yes No
- i. employment background Yes No
- ii. credit checks Yes No
- iii. arrests/convictions for any felony or misdemeanor offenses Yes No
- iv. drug testing Yes No
- h. Do the **Policyholder** and its **Subsidiaries** maintain a written anti-fraud policy that is distributed to all **Employees**? Yes No
- i. Are the **Policyholder** and its **Subsidiaries** Code of Conduct Policies distributed to all **Employees**? Yes
 No
 N/A
- If yes, is an acknowledgment page required to ensure that these policies are read and understood by all **Employees**? Yes
 No
 N/A
- j. Are **Employee's** building access cards denied immediately upon termination and are all procurement, credit cards, etc. cancelled? Yes No
(if "No", attach details)
- k. Are bank accounts reconciled on a monthly basis? Yes No
If "No," how often:
- l. Do **Employees** who reconcile the monthly bank statements also perform the following: Yes No
- i. approve or disburse payments Yes No
- ii. receive checks or handle deposits Yes No
- iii. have access to electronic or mechanical signatures Yes No
- m. Is countersignature of checks required? Yes No
If "Yes," over what amount: \$
- n. Is the responsibility for authorizing vendors, approving invoices and processing payments assigned to different individuals? Yes No
- o. Are background checks performed on vendors in order to determine ownership and financial capability prior to doing business with them? Yes No
- p. Is an approved vendor list utilized and updated as needed? Yes No
- q. What is the maximum amount of cash, checks and negotiable securities at any one location: \$
- r. Are preauthorization controls maintained for all programmers and operators? Yes No
- s. Is there a formal written policy regarding procedures for funds transfers? Yes No
- t. Is approval by more than one person required to initiate a funds transfer? Yes No
- u. Are funds transfer instructions subject to a verification and authentication process? Yes No

- v. Is there an exposure of precious metals or stones (such as gold, silver, copper, platinum, industrial diamonds or similar high-value materials)? Yes No
- i. if Yes, what is the average value: \$
- ii. if Yes, what is the maximum value at each location: \$
- Please attach a separate sheet explaining internal physical controls and security procedures.
- w. Attach a separate sheet listing the **Employee Benefit Plans** required to be bonded and subject to the Employee Retirement Income Security Act of 1974, the Pension Protection Act of 2006 and any amendments thereto. No such plans to be covered
- x. Complete these questions only if applying for Electronic Data or Computer Programs Restoration Costs.
- i. Is firewall technology used at all internet points of presence and do formal firewall configuration standards exist? Yes No
- ii. Do the **Policyholder** and **Subsidiaries** utilize anti-virus software on all systems commonly affected by viruses, particularly personal computers and servers? Yes No
- iii. Does a business continuity and disaster recovery plan exist? Yes No
- iv. Are system backup and recovery procedures documented and tested for all mission critical systems? Yes No
- y. Complete these questions only if applying for Clients' Property Coverage.
- i. Do any **Clients** require the **Company** to be bonded or carry crime insurance? Yes No
If "Yes," attach details regarding type of services/work that will be performed for **Clients**.
- ii. Do the **Policyholder** and **Subsidiaries** have custody or control over its Clients' funds, accounts or Property (including **Money, Securities, inventory, high value Property**)? Yes No
(if "Yes", attach details)
- iii. Do the **Policyholder** and **Subsidiaries** have access to any of its **Clients'** accounting, payroll or purchasing systems (including banking systems, funds transfer systems, **Computer Systems**, sensitive computer data, etc.)? Yes No
(if "Yes", attach details)

6. LOSS HISTORY

- a. For each Coverage Part under which coverage is requested, has the **Policyholder**, any **Subsidiary** or any of their **Insured Persons** (in any capacity) ever been involved in the following? If "Yes" please attach details.
- i. Any proceeding alleging infringement of patents, copyrights, trademarks or other forms of intellectual property: Yes No
- ii. Any proceeding alleging violation of any, antitrust, unfair business practice, consumer protection or employment practices law (whether statutory or common): Yes No
- iii. Any civil, criminal, administrative or regulatory proceeding or investigation relating to any environmental law, including any such proceeding or investigation related to any emission or release which allegedly contributed to global warming or climate changes and any retaliation against any employee related thereto: Yes No
- iv. Any other civil, criminal, administrative or regulatory proceeding or investigation: Yes No

- b. If the Employment Practices and Third Party Discrimination Liability Coverage Part is requested, if the **Policyholder** or any **Subsidiary** is a federal contractor, has any such **Company** been the subject of an audit conducted by the Office of Federal Contract Compliance Program? Yes No
(if "Yes", attach details)
- c. If the Employment Practices and Third Party Discrimination Liability Coverage Part is requested, are any proposed **Insureds** currently required to comply with any judicial or administrative agreement, order, decrees or judgment relating to employment? Yes No
(if "Yes", attach details)
- d. If the Fiduciary Liability Coverage Part is requested, has there been any assessment of fees, fines or penalties against any **Insured** under any voluntary compliance resolution program or similar voluntary settlement program? Yes No
(if "Yes", attach details)
- e. If the Crime Coverage Part is requested, has there been any employee theft, burglary, robbery and forgery, computer theft or other crime losses discovered by the **Policyholder** and its **Subsidiaries** in the last six years? Yes No
(if "Yes", attach details and any corrective measures taken to mitigate future losses of this type)
- f. Has any notice of claim or potential claim been made or reported under the provisions of any prior Directors and Officers Liability, Employment Practices Liability, Fiduciary Liability or Crime insurance policy or coverage part? Yes No
(if "Yes", attach details)
- g. Have any loss payments been made in connection with any such notice? Yes No
(if "Yes", attach details)

7. (IF THIS IS A RENEWAL FOR ANY COVERAGE PART, PLEASE SKIP THIS QUESTION.)

Does any **Insured Person** know of any act, error, omission, or other circumstance which could reasonably give rise to a claim being made against any **Insured** under the proposed insurance? Yes No
(if "Yes", attach details)

Without prejudice to any of the Underwriter's rights or remedies, it is understood and agreed that if such act, error, omission or circumstance exists, whether or not disclosed, any **Claim** arising therefrom or related thereto shall be excluded from coverage under the proposed insurance.

Coverage Part(s) for which response is provided:

- Management and Entity Liability Employment Practices and Third Party Discrimination Liability
- Fiduciary Liability

8. a. Identify the expiring primary insurance carried by the **Policyholder**:

Insurance Carrier	Policy Limits	Retention	Premium (Optional)
D&O:			
Employment:			
Fiduciary:			
Crime:			

b. Identify the total Limits of Liability available under the expiring Directors and Officers Liability insurance program (include any Side A only and any Independent Director policies):

- c. Total Directors and Officers Liability Insurance limits anticipated for this policy period (including Side A only and Independent Director policies):
- d. Has any Directors and Officers Liability, Employment Practices Liability, Fiduciary Liability Yes No or Crime insurance policy or Coverage Part or similar policy been declined, non-renewed or canceled during the past three years?
(if "Yes", attach details)

9. ATTACHMENTS

The following information must be attached to this application if it exists:

- **Policyholder's** most recent audited financial statement
- **Policyholder's** most recent interim financial statement
- The names and occupations of the **Policyholder's** board of directors and trustees
- List of all **Subsidiaries** proposed for coverage
- For the three largest **Plans**, including, but not limited to any funded **Plans**, most recent Form 5500 and audited financial statement

NOTICES

The **Company** and the **Insured Persons** declare that the statements set forth herein are true. The signing of this application does not bind the Underwriter, the **Policyholder** or its **Insured Persons** to effect insurance. The undersigned agrees that this application, its attachments and any materials submitted therewith are true, complete and accurate as of the date thereof. These representations shall be the basis of the contract should a policy be issued and shall be deemed attached to and shall form part of the policy. The application, its attachments and any materials submitted therewith are considered physically attached to the policy and will be deemed incorporated therein. The Underwriter is hereby authorized to make any investigation and inquiry in connection with this application that it deems necessary.

The undersigned, on behalf of the **Company** and all **Insured Persons**, agrees that if the information in the Declarations and representations contained in this application and its attachments materially changes between the date of this application and the inception of the proposed coverage, the undersigned will immediately report in writing to the Underwriter such change, and the Underwriter may withdraw or modify any outstanding quotations or agreements to bind coverage. The undersigned acknowledges and agrees that the Underwriter's receipt of such written report, prior to inception of the proposed coverage, is a condition precedent to coverage.

FRAUD WARNINGS

GENERAL STATEMENT

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 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 the person to criminal and [NY: substantial] civil penalties. (Not applicable in CO, DC, FL, HI, MA, MD, NE, OH, OK, OR, VT or WA; in LA, ME, TN, and VA, insurance benefits may also be denied).

APPLICABLE IN COLORADO

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 of award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

APPLICABLE IN THE DISTRICT OF COLUMBIA

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.

APPLICABLE IN FLORIDA

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.

APPLICABLE IN HAWAII

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.

APPLICABLE IN MARYLAND

ANY PERSON WHO KNOWINGLY AND WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY AND WILLFULLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

APPLICABLE IN MASSACHUSETTS, NEBRASKA, OREGON, AND VERMONT

Any person who knowingly and with intent to defraud any insurance company or another 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, may be committing a fraudulent insurance act, which may be a crime and may subject the person to criminal and civil penalties.

APPLICABLE IN OHIO

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.

APPLICABLE IN OKLAHOMA

WARNING: Any person who knowingly, and with intent to injury, 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.

APPLICABLE IN WASHINGTON

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.

MUST BE SIGNED BY THE PRESIDENT, CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER OR IN-HOUSE GENERAL COUNSEL OF THE **POLICYHOLDER** ON BEHALF OF ALL **INSUREDS**.

SIGNATURE _____ TITLE _____

DATE _____

AGENT'S NAME (FL only) _____

AGENT'S LICENSE NO. (FL only) _____

AGENT'S COMPANY (FL only) _____