

**NOTICE: THIS POLICY PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE.**

**IF A POLICY IS ISSUED, IT WILL BE ON CLAIMS MADE AND REPORTED BASIS.**

**I. APPLICANT**

Applicant shall include the Insurance Company listed in (1) below and Subsidiaries of the Insurance Company.

- 1. Insurance Company Name: \_\_\_\_\_
- 2. Names of Insurance Company Subsidiaries: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
- 3. Address: \_\_\_\_\_  
 \_\_\_\_\_
- 4. State of Incorporation: \_\_\_\_\_
- 5. State of Domicile: \_\_\_\_\_

**II. INSURANCE AMOUNTS REQUESTED**

- 1. Limits:
  - A. Agent: Per Claim \$ \_\_\_\_\_ Aggregate/Agent \$ \_\_\_\_\_
  - B. General Agents: Per Claim \$ \_\_\_\_\_ Aggregate/GA \$ \_\_\_\_\_
  - C. Other: (please specify) \_\_\_\_\_ Per Claim \$ \_\_\_\_\_ Aggregate/Other \$ \_\_\_\_\_
  - D. Insurance Company Vicarious Liability? Yes \_\_\_\_\_ No \_\_\_\_\_  
 (1) If requesting a separate limit, please indicate the separate limit requested Per Claim: \$ \_\_\_\_\_
- 2. Retentions: Agents and General Agents (Applicant sponsored/outside products)  
 \$ \_\_\_\_\_ / \$ \_\_\_\_\_
- 3. Total Policy Aggregate: \$ \_\_\_\_\_

**III. GENERAL APPLICANT INFORMATION**

- 1. Total Number of Agents:
  - (a) Agents: \_\_\_\_\_
  - (b) General Agents: \_\_\_\_\_
  - (c) Other (please specify): \_\_\_\_\_
  - (d) Other (please specify): \_\_\_\_\_
- 2. Number of Agents who are also Registered Representatives \_\_\_\_\_
- 3. Projected additional agents for this year: \_\_\_\_\_
- 4. Number of agents at the end of last year: \_\_\_\_\_



- 5. Number of agent contracts revoked in the past year for other than lack of Production:
- 6. Since the last application submitted to the Insurer for this insurance, has the Applicant made any changes in its policy with regard to any of the following:

YES	NO	
_____	_____	1. Largest policy limits offered under any of the products sold
_____	_____	2. Development of any New Products
_____	_____	3. Training procedures and Supervisory procedures
_____	_____	4. Home Office control procedures
_____	_____	5. Qualifications for new agents
_____	_____	6. Client complaint procedures

*If any items have been checked yes, please attach a written explanation or a brochure.*

**IV. INSURANCE PROGRAM SPECIFICATIONS**

- 1. Indicate by an "X" if there are any new Professional Services for which coverage is requested:

Fee Based Financial Planning \_\_\_\_\_ Investment Advisory Services \_\_\_\_\_  
 Administration of Employee Benefit Plans \_\_\_\_\_  
 Services as a Notary Public \_\_\_\_\_  
 Other (Please Specify) \_\_\_\_\_  
 Sale/attempted sale/servicing of:  
     Life \_\_\_\_\_ Variable Annuities \_\_\_\_\_  
     Accident & Health \_\_\_\_\_ Pension & Profit Sharing Plans \_\_\_\_\_  
     Disability Income Insurance/Annuities \_\_\_\_\_  
     Flexible and Scheduled Premium Annuities \_\_\_\_\_  
     24 Hour Care Coverage \_\_\_\_\_ Property & Casualty \_\_\_\_\_  
     Employee Benefit Plans \_\_\_\_\_ IRAs \_\_\_\_\_  
     KEOGH plans \_\_\_\_\_ Mutual Funds \_\_\_\_\_  
     Fixed Annuities \_\_\_\_\_ Financial Planning \_\_\_\_\_  
     Equity Indexed Annuities \_\_\_\_\_ Limited Partnerships \_\_\_\_\_  
     Structured Settlements \_\_\_\_\_ Options \_\_\_\_\_  
     Stocks/Bonds \_\_\_\_\_  
     Other Financial Products (please specify) \_\_\_\_\_

**V. PRODUCT INFORMATION**

Please provide gross company revenues with respect to the following products or services.

<u>Product/Service</u>	<u>Gross Company Revenue (last year)</u>
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- Individual Life \_\_\_\_\_
- Group Life \_\_\_\_\_
- Accident & Health \_\_\_\_\_
- Disability Income Products \_\_\_\_\_
- Employee Benefit Plans \_\_\_\_\_
- Property & Casualty \_\_\_\_\_
- Structured Settlements \_\_\_\_\_
- Variable Annuities \_\_\_\_\_
- Flexible/Scheduled Premium Annuities \_\_\_\_\_
- Fixed Annuities \_\_\_\_\_
- Equity Indexed Annuities \_\_\_\_\_
- Pension & Profit Sharing Plans \_\_\_\_\_
- Mutual Funds \_\_\_\_\_
- Proprietary Limited Partnerships \_\_\_\_\_
- Non-Proprietary Limited Partnerships \_\_\_\_\_
- Municipal Bonds \_\_\_\_\_
- Other Bonds \_\_\_\_\_
- Listed and OTC Stocks \_\_\_\_\_
- Unlisted Stocks \_\_\_\_\_
- MicroCap or SmallCap Securities \_\_\_\_\_
- Options Contracts \_\_\_\_\_
- Unit Investment Trusts \_\_\_\_\_
- Investment Advisory Services \_\_\_\_\_
- Fee Based Financial Planning \_\_\_\_\_
- Other Financial Products/Services: (please specify) \_\_\_\_\_

Attach by addendum if more space is necessary.

**VI. SUBMISSION REQUIREMENTS**

Please attach the following:

- Annual Statement
- Annual Report

IN GRANTING COVERAGE TO ANY OF THE INSURED, THE INSURER HAS RELIED UPON THE DECLARATIONS AND STATEMENTS IN THIS APPLICATION FOR COVERAGE. ALL SUCH DECLARATIONS AND STATEMENTS ARE THE BASIS OF COVERAGE AND SHALL BE CONSIDERED INCORPORATED IN AND CONSTITUTING PART OF THE POLICY SHOULD ONE BE ISSUED.

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE OF THE APPLICANT HEREBY DECLARES THAT THE STATEMENTS SET FORTH HEREIN ARE TRUE. THE UNDERSIGNED AGREES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE EFFECTIVE DATE OF THE INSURANCE, HE/SHE (UNDERSIGNED) WILL, IN ORDER FOR THE INFORMATION TO BE ACCURATE ON THE EFFECTIVE DATE OF THE INSURANCE, IMMEDIATELY NOTIFY THE INSURER OF SUCH CHANGES AND THE INSURER MAY WITHDRAW MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATION OR AGREEMENT TO BIND THE INSURANCE.

SIGNING OF THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE INSURER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THIS APPLICATION SHALL BE THE BASIS OF THE



CONTRACT SHOULD A POLICY BE ISSUED, AND IT WILL BE ATTACHED TO AND BECOME PART OF THE POLICY.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH HIS APPLICATION AND MADE A PART HEREOF. NOTHING CONTAINED HEREIN OR INCORPORATED HEREIN BY REFERENCE SHALL CONSTITUTE NOTICE OF A CLAIM OR POTENTIAL CLAIM SO AS TO TRIGGER COVERAGE UNDER ANY CONTRACT OF INSURANCE.

PLEASE READ THE FOLLOWING STATEMENT CAREFULLY AND SIGN BELOW WHERE INDICATED. IF A POLICY IS ISSUED THIS STATEMENT IS INCORPORATED IN AND BECOMES A PART OF SUCH POLICY.

The undersigned authorized representative of the Applicant hereby acknowledges that he/she is aware that the limit of liability contained in this policy shall be reduced, and may be completely exhausted, by the costs of legal defense and, in such event, the Insurer shall not be liable for the costs of legal defense or for the amount of any judgment or settlement to the extent that such exceeds the limit of liability of this policy.

The undersigned authorized representative of the Applicant hereby further acknowledges that he/she is aware that legal defense costs that are incurred shall be applied against the retention amount.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: Chief Compliance Officer/General Counsel

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title\*: \_\_\_\_\_ Broker: \_\_\_\_\_

\* Must be signed by the President, if a corporation, and a General Partner if a partnership.

**FOR ARKANSAS 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.

**FOR COLORADO APPLICANTS:** IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, FOR MISLEADING FACTS OR INFORMATION TO AN INSURED 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 OF 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 AGENCIES.

**FOR FLORIDA APPLICANTS:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR ANY APPLICATION CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF FELONY IN THE THIRD DEGREE.

**FOR KENTUCKY APPLICANTS:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, 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.



**FOR MINNESOTA APPLICANTS:** ANY PERSON WHO SUBMITS AN APPLICATION OR FILES A CLAIM WITH INTENT TO DEFRAUD OF HELPS COMMIT A FRAUD AGAINST AN INSURER IS GUILTY OF A CRIME.

**FOR 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.

**FOR 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 BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

**FOR OHIO APPLICANTS:** ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD A AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

**FOR 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.

Signed: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: Chief Compliance Officer/General Counsel

Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title\*: \_\_\_\_\_

Date: \_\_\_\_\_

\* Must be signed by the President, if a corporation, and a General Partner if a partnership.

