

**APPLICATION FOR PRIVATE COMPANY DIRECTORS,
OFFICERS AND EMPLOYEES LIABILITY COVERAGE**

PRIVATELY OWNED COMPANY

Please answer all of the following questions and indicate if a question is not applicable:

I. GENERAL INFORMATION

- a) Name of Parent Company _____
- b) Address _____
City/State/Zip _____
- c) State of Incorporation _____
- d) Date Established _____
- e) Standard Industrial Code (SIC) _____
- f) Please provide a brief description of the operations of the Company:

2. OWNERSHIP

- a) Number of common equity shares outstanding _____
- b) Number of common equity shareholders _____
- c) Percentage of common equity shares owned directly or beneficially by all officers and directors as a group _____
- d) Is there any shareholder(s) or group of affiliated shareholders (including an employee stock ownership plan) who own 10% or more of the common equity shares directly or beneficially? [] Yes [] No, if yes, please complete the following (attach additional pages if necessary):

Name of Shareholder	% Owned	Relation to the Parent Company

3. EMPLOYEES - Please provide current employee breakdown by state (top 9 states):

State	Number of Employees

State	Number of Employees

State	Number of Employees

4. ANNOUNCED CHANGES

- a) Has the Parent Company publicly disclosed that it now has under consideration any acquisition, tender offer, merger or divestiture ? []Yes []No, if yes, attach details.
- b) Has the Parent Company publicly disclosed or made any new public offering of securities pursuant to the Securities Act of 1933 or exempt from registration under Regulation A, within the last year ? []Yes []No, if yes, attach details including the prospectus.
- c) Has the Parent Company had within the last 3 years or do they anticipate within the next 2 years any facility closings, consolidations, layoffs or staff reductions which will (did) result in termination of more than 5% of the workforce at any one business location ? []Yes []No, If yes, how many employees will be (were) affected ? _____

5. PAST ACTIVITIES

A. Has the Parent Company, a subsidiary, a director or officer or other proposed Insured Person been involved in any of the following:-

- a) Anti-trust, copyright, or patent litigation ? []Yes []No
- b) Civil or criminal action or administrative proceeding charging violation of a federal or state securities law or regulation ? []Yes []No
- c) Any other criminal action ? []Yes []No
- d) Representative actions, class actions or derivative suits ? []Yes []No

If yes to any of these past activities, please attach details.

B. Please indicate first dollar loss history (including defense costs) for employment related demands or judicial or administrative proceedings first made in each of the last three years:

Year	Number of Claims	Defense Costs Paid	Damages / Settlement Costs Paid

On a separate piece of paper, please provide the following information for each such claim which has or is expected to exceed \$25,000 in loss (including defense costs): 1) date of claim; 2) description of claim; 3) total amount paid (broken-out by defense costs, damages, and settlement); 4) whether the claim was (is) an administrative action or lawsuit.

C. For the Last Three Years, what has been the:

Year	Total Number of Employees	Number of Employees Turned over / Separated	Number of Employees Terminated

6. EMPLOYMENT PRACTICES PROCEDURES

- A. Does the Parent Company have a Human Resources or Personnel Department ? []Yes []No, If no, who performs the human resource functions _____
- B. Does the Parent Company use an employment application for all employment applicants ? []Yes []No, If yes, please attach a copy.
- C. Does the Parent Company have an implemented anti-sexual harassment policy ? []Yes []No
- D. Does the Parent Company distribute an employment handbook to all employees ? []Yes []No, If yes, please attach a copy.
- E. Does the Parent Company have a formal progressive discipline policy ? []Yes []No

- F. Are any proposed Insureds currently required to comply with any judicial or administrative agreement, order, decree or judgment relating to employment? Yes No, If yes, please attach a copy.
- G. When an employee is discharged:
- a) Is officer approval required and are human resources personnel directly involved? Yes No
- b) Is an attorney consulted prior to discharging an employee? Yes No

7. CONTINUITY WITH PRIOR COVERAGE

If the Parent Company has directors and officers liability coverage and employment practices liability coverage and is requesting continuity of coverage for an existing layer of coverage, please complete this Section and skip Section 8. If the Parent Company does not currently have directors and officers liability coverage and employment practices liability coverage, or this application is being submitted for a new excess limit of liability or the request for continuity of coverage for an existing layer has been declined, please skip this Section and complete Section 8.

Continuity date requested _____

Attach a copy of the prior application with which continuity of coverage is to be maintained. The Underwriter will be relying upon the declarations and representations contained in such prior application and those declarations and representations shall be considered to be incorporated in and form a part of the proposed policy.

8. PRIOR KNOWLEDGE

Please complete the following paragraph:

No person or entity proposed for coverage is aware of any fact or circumstance or any actual or alleged act, error or omission which he or she has reason to suppose might give rise to a future claim that would fall within the scope of the proposed coverage, except (if no exceptions, please state) _____

It is agreed that if such fact or circumstance or actual or alleged act, error or omission exists, whether or not disclosed, any claim arising therefrom is excluded from this proposed coverage.

9. PRIOR INSURANCE

Does the Parent Company or any subsidiary currently have directors and officers liability coverage and / or employment practices liability insurance Yes No

If no, answer the prior knowledge statement in Section 8. If yes, answer the following:

	Directors and Officers Liability and Reimbursement Insurance	Employment Practices Liability Insurance
Insurer		
Limit of Liability		
Expiration Date		

Has any proposed Insured given written notice under the provisions of any prior or current directors and officers liability policy and / or employment practices liability policy of specific facts or circumstances which might give rise to a claim being made against any proposed Insureds? _____ if yes, please attach details.

Have any loss payments been made on behalf of any proposed Insureds under any directors and officers liability policy, employment practices, or similar insurance policy? _____ if yes, please attach details.

10. FALSE INFORMATION

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 in certain jurisdictions.

11. DECLARATION AND SIGNATURE

The undersigned declares that to the best of his or her knowledge and belief the statements set forth herein are true. The signing of this application does not bind the Underwriter or the proposed Insureds to effect insurance. The undersigned agrees that this application and its attachments 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 Underwriter is hereby authorized to make any investigation and inquiry in connection with this application that it deems necessary.

The undersigned, on behalf of all proposed Insureds, 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.

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.

This application must be signed by the Chairman of the Board or President of the Parent Company.

Signature _____ Title _____ Date _____

NEW YORK AND RHODE ISLAND APPLICANTS: PLEASE READ THE FOLLOWING STATEMENT CAREFULLY AND SIGN BELOW WHERE INDICATED. IF A POLICY IS ISSUED, NEW YORK AND RHODE ISLAND INSURANCE DEPARTMENT REGULATIONS REQUIRE THAT THIS SIGNED STATEMENT BE ATTACHED TO THE POLICY.

The insured hereby acknowledges that he/she/it 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 insured hereby further acknowledges that he/she/it is aware that legal defense costs that are incurred shall be applied against the retention amount.

Must be signed by the Chairman of the Board or President of the Parent Company.

Signature _____ Title _____ Date _____

**SUPPLEMENTAL APPLICATION FOR
EMPLOYMENT PRACTICES LIABILITY
INSURANCE**

PRIVATELY OWNED COMPANY

PLEASE NOTE:

- This Application is only for PRIVATELY HELD Companies that wish to add Employment Practices Liability Insurance to a Directors and Officers Liability and Reimbursement Insurance policy written by Zurich American Insurance Company
- Employment Practices Liability Insurance is written on a claims-made basis and covers only Claims first made against the Insureds during the Policy Period or the Extended Reporting Period, if exercised. The Limit of Liability available to pay judgments or settlements shall be reduced by amounts incurred as Defense Costs.
- This application and all exhibits attached shall form a part of this proposal and shall be held in strictest confidence.
- Please answer all of the following questions and indicate if a question is not applicable:

1. GENERAL INFORMATION

- a) Name of Parent Company _____
- b) Address _____
- City/State/Zip _____

2. EMPLOYEES - Please provide current employee breakdown by state (top 9 states):

State	# Employees	State	# Employees	State	# Employees

3. TURNOVER / TERMINATIONS - For the Last Three Years, what has been the:

Year	Total Number of Employees	Number of Separated Employees	Number of Terminated Employees

4. LOSSES

Please indicate first dollar loss history (including defense costs) for claims first made in each of the last three years for wrongful termination, discrimination, sexual harassment or retaliation:

Year	Number of Claims	Defense Costs Paid	Damages / Settlement Costs Paid

On a separate piece of paper, please provide the following information for each such claim which has or is expected to exceed \$25,000 in loss (including defense costs): 1) date of claim; 2) description of claim; 3) total amount paid (broken-out by defense costs, damages, and settlement); 4) whether the claim was (is) an administrative action or lawsuit.

5. PLANNED CHANGES / PROCEDURES

- A. Has the Parent Company had within the last 3 years or do they anticipate within the next 2 years any facility closings, consolidations, layoffs or staff reductions which will (did) result in termination of more than 5% of the workforce at any one business location? [] Yes [] No, If yes, how many employees will be (were) affected? _____
- B. Does the Parent Company have a Human Resources or Personnel Department? [] Yes [] No, If no. who performs the human resource functions _____
- C. Does the Parent Company use an employment application for all employment applicants? [] Yes [] No. If yes, please attach a copy.
- D. Does the Parent Company have an implemented anti-sexual harassment policy? [] Yes [] No
- E. Does the Parent Company distribute an employment handbook to all employees? [] Yes [] No, If yes, please attach a copy.
- F. Does the Parent Company have a formal progressive discipline policy? [] Yes [] No
- G. Are any proposed Insureds currently required to comply with any judicial or administrative agreement, order, decree or judgment relating to employment? [] Yes [] No, If yes, please attach a copy.
- H. When an employee is discharged:
 - a) Is officer approval required and are human resources personnel directly involved? [] Yes [] No
 - b) Is an attorney consulted prior to discharging an employee? [] Yes [] No

6. PRIOR INSURANCE

Does the Parent Company or any subsidiary currently have employment practices liability? [] Yes [] No
If no, skip to Section 8 and answer the prior knowledge statement. If yes, answer the following:

- a) Insurer _____
- b) Limit of Liability _____
- c) Deductible _____
- d) Policy Period: From _____ To _____
- e) First year such insurance was purchased _____
- f) Number of years of uninterrupted coverage with current insurer _____
- g) Has the Parent Company, a subsidiary or any proposed Insured Person given written notice under the provisions of any such insurance policy of specific facts or circumstances which might give rise to a claim being made against any proposed Insured? _____ If yes, please attach details.
- h) Have any loss payments been made on behalf of any proposed Insured under any Employment Practices liability insurance policy or similar insurance? _____ If yes, please attach details.

7. CONTINUITY WITH PRIOR COVERAGE

If the Parent Company has Employment Practices liability insurance coverage and is requesting continuity of coverage for an existing layer of coverage, please complete this Section and skip Section 8. If the Parent Company does not currently have Employment Practices liability insurance coverage, or this application is being submitted for a new excess limit of liability or the request for continuity of coverage for an existing layer has been declined, please skip this Section and complete Section 8.

Continuity date requested _____

Attach a copy of the prior application with which continuity of coverage is to be maintained. The Underwriter will be relying upon the declarations and representations contained in such prior application and those declarations and representations shall be considered to be incorporated in and form a part of the proposed policy.

8. PRIOR KNOWLEDGE

Please complete the following paragraph:

No person or entity proposed for coverage is aware of any fact or circumstance or any actual or alleged act, error or omission which he, she or it has reason to suppose might give rise to a future claim that (i) would be made against the Company or any Employee who is not and was not a director or officer of the Company, and (ii) would fall within the scope of the proposed coverage, except (if no exceptions, please state) _____

It is agreed that if such fact or circumstance or actual or alleged act, error or omission exists, whether or not disclosed, any claim arising therefrom is excluded from this proposed coverage.

9. FALSE INFORMATION

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 in certain jurisdictions.

10. DECLARATION AND SIGNATURE

The undersigned declares that to the best of his or her knowledge and belief the statements set forth herein are true. The signing of this application does not bind the Underwriter, the Parent Company or its proposed Insured Persons to effect insurance. The undersigned agrees that this application and its attachments 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 Underwriter is hereby authorized to make any investigation and inquiry in connection with this application that it deems necessary.

The undersigned, on behalf of all proposed 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.

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This application must be signed by the Director of Human Resources (or equivalent position) of the Parent Company.

Signature _____ Title _____ Date _____

NEW YORK AND RHODE ISLAND APPLICANTS: PLEASE READ THE FOLLOWING STATEMENT CAREFULLY AND SIGN BELOW WHERE INDICATED. IF A POLICY IS ISSUED, NEW YORK AND RHODE ISLAND INSURANCE DEPARTMENT REGULATIONS REQUIRE THAT THIS SIGNED STATEMENT BE ATTACHED TO THE POLICY.

The insured hereby acknowledges that he/she/it 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 insured hereby further acknowledges that he/she/it is aware that legal defense costs that are incurred shall be applied against the retention amount.

This application must be signed by the Director of Human Resources (or equivalent position) of the Parent Company.

Signature _____ Title _____ Date _____