

# LEXINGTON INSURANCE COMPANY

## AlphaPack Commercial NEW BUSINESS APPLICATION

*THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR DISCOVERY PERIOD. THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGEMENTS OR SETTLEMENTS SHALL BE REDUCED BY PAYMENT OF DEFENSE COSTS. DEFENSE COSTS ARE SUBJECT TO THE APPLICABLE RETENTION. PLEASE READ AND REVIEW THE POLICY CAREFULLY.*

**INSTRUCTIONS:** PLEASE FULLY ANSWER ALL QUESTIONS AND SUBMIT ALL REQUIRED ATTACHMENTS ALONG WITH THE SUPPLEMENTAL APPLICATION(S) FOR THE REQUESTED COVERAGES. THE APPLICATIONS MUST BE SIGNED AS INDICATED BELOW.

The term "**Applicant**" shall mean all natural persons and entities, including the Named Insured and any Subsidiary, proposed for coverage.

### Section A. General Information

1. Applicant Information

Name of Applicant: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

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

Nature of Business: \_\_\_\_\_

Primary Sic Code(s): \_\_\_\_\_

Date of Formation/Incorporation: \_\_\_\_\_ State of Formation/Incorporation: \_\_\_\_\_

Business Structure:  Limited Liability Company  Corporation  Sole Proprietorship  
 Other: \_\_\_\_\_

Number of Locations: Domestic: \_\_\_\_\_ Foreign: \_\_\_\_\_

2. Applicant's authorized representative to receive notices from the Insurer

Name of Applicant: \_\_\_\_\_

Title of Applicant: \_\_\_\_\_

Phone Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

### Section B. Insurance Information

Coverage Requested	Limit Requested	Coverage Purchased	Current Carrier	Current Limits of Liability	Current Policy Expiration Date
<input type="checkbox"/> Directors & Officers Liability	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	
<input type="checkbox"/> Employment Practices Liability	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	
<input type="checkbox"/> Fiduciary Liability	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	
<input type="checkbox"/> Cyber Liability	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	
<input type="checkbox"/> Commercial Crime	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No		\$	

Has any insurance carrier refused, canceled or non-renewed any Directors, Officer, Employment Practices, Fiduciary Liability, crime, or cyber Insurance\*?

Yes  No

\*MISSOURI APPLICANTS NEED NOT REPLY.

If "Yes", attach complete details including when and reason(s).

**Section C. Company Information**

1. Please list all direct and indirect Subsidiaries:

Name	Business Structure	Percentage Of Ownership	Date Acquired Or Created	Nature of Operations
		%		
		%		
		%		

2. Is the Applicant structured as a joint venture, general partnership or limited partnership?

Yes  No

If "Yes" please attach a description.

3. a. Has Applicant in the last twelve (12) months completed:

Check One Box for Each

i. Any merger, acquisition, or divestment?

Yes  No

ii. Any change in outside auditors?

Yes  No

iii. Any branch, location, facility, office, or **Subsidiary** closings, consolidations or layoffs or reductions in workforce?

Yes  No

iv. Any changes to the partnership agreement for any Applicant formed as a Partnership or Joint Venture?

Yes  No

v. Any reorganization or arrangement with creditors under federal or state law?

Yes  No

b. Is the Applicant currently anticipating any of the above?

Yes  No

If the Applicant answered "Yes" to any part of question 3. please attach additional details.

**Section D. Financial Information**

Please provide the following financial information from the Applicant's more recent audited financials (or if unavailable, interim statements):

Fiscal Year End:	(Year/ Month):
Total Assets	\$
Total Liabilities	\$
Current Assets	\$
Current Liabilities	\$
Total Revenues	\$
<input type="checkbox"/> Net Income or <input type="checkbox"/> Net Loss	\$
Cashflow from Operations	\$

## Section E. Claims History Information

**Note: Answer the following questions 1 through 6 for only those coverage types the Applicant does not currently maintain insurance and is now applying for under this application. If the Applicant currently purchases insurance coverage for the coverage type(s) it is applying for under this application check the applicable N/A box):**

1. Please provide on a separate attachment full details of all inquiries, investigations, grievance filings or other administrative hearings filed during the last five (5) years or currently before any local, state or federal agency governing employer responsibility to employees.  
(If there are none, check here )

2. Has there been, or is there now pending any claim(s), suit(s), investigation(s) or action(s) against the Applicant or any individual or other entity proposed for insurance arising out of: (i) any director, officer, trustee, employed lawyer, employee, employee benefit plan, professional liability or entity liability matter, including securities matters and/or employment matters; or (ii) any matter claimed against any person proposed for insurance in his or her capacity under the proposed policy?

**Please answer with regard to:**

- Directors and Officers Liability  N/A  Yes  No  
Employment Practices Liability  N/A  Yes  No  
Fiduciary Liability  N/A  Yes  No

**If "Yes" was checked with respect to any of the above, please attach a description.**

3. Does the Applicant, or any director, officer, trustee, employed lawyer or employee of the Applicant know of any act, error or omission, which could give rise to a claim(s), suit(s) or action(s) under the proposed policy with regard to:

- Directors and Officers Liability  N/A  Yes  No  
Employment Practices Liability  N/A  Yes  No  
Fiduciary Liability  N/A  Yes  No

**If "Yes" was checked with respect to any of the above, please attach an explanation.**

4. Has the Applicant or any director and/or officer:

- a. Been involved in any antitrust, copyright or patent litigation?  N/A  Yes  No  
b. Been charged in any civil or criminal action or administrative proceeding with a violation of any federal or state antitrust or fair trade law?  N/A  Yes  No  
c. Been charged in any civil or criminal action or administrative proceeding with a violation of any federal or state securities law or regulation?  N/A  Yes  No  
d. Been involved in any representative actions, class actions, or derivative suits?  N/A  Yes  No  
e. Been charged in any federal or state proceedings citing a violation of anti-harassment or anti-discrimination law?  N/A  Yes  No

5. Applicable to Fiduciary Liability if purchased: Has there been or is there pending any inquiry or investigation, or any violation of ERISA or any similar common or statutory law of the United States, Canada or any state or other jurisdiction anywhere in the world, to which an Applicant's employee benefit plan?  N/A  Yes  No

**If "Yes" please attach a description.**

Applicable to Cyber Liability if purchased:

6. a. Does any person(s) or entity(ies) applying for insurance have knowledge of any fact, circumstance, or actual or alleged act, error or omission which might give rise to a written demand, claim, suit, investigation or action, or loss under the proposed policy?  N/A  Yes  No

**If "Yes" please attach a description.**

- b. In the past three (3) years, has the Applicant sustained a breach of their network security resulting in loss, theft, tampering, or destruction of sensitive data?  N/A  Yes  No

**If "Yes" please attach a description.**

*It is agreed that with respect to Questions 1 through 6 above, if such claim(s), suit(s), investigation(s), loss(es), action(s), proceeding(s), inquiry, violation, knowledge, information or involvement exists, then such claim(s), suit(s), investigation(s), action(s), proceeding(s) or inquiry and any claim, action, suit, investigations, loss, action, proceeding or inquiry arising therefrom or arising from such violation, knowledge, information or involvement is excluded from the proposed coverage.*

**Section F. Directors and Officers Liability**

Is Coverage Desired?  Yes  No

**Please complete only if this Coverage is desired.**

1. Stock Ownership

- a. Are any of the Applicant's securities or those of its Subsidiaries publicly traded or the subject of a "shelf registration?"  Yes  No
- b. Percentage of voting stock owed directly or beneficially by the Applicant's Directors and Officers: \_\_\_\_\_ %
- c. Please complete the following information for the Applicant and attach additional sheets if needed:

Name of Shareholders	Voting Shares Owned	Director or Officer of Applicant?
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>TOTAL</b>	%	

- d. Is any of the Applicant's stock held by an employee Stock Ownership Plan?  Yes  No
- e. Does Applicant have a portion of its private company debt purchased by the public?  Yes  No
- 2. **Attach a complete list of all Directors of the Applicant by name, affiliation and date of nomination to the Board.**
- 3. Has the Applicant experienced changes to its Board of Directors or C-level executives over the past year?  Yes  No  
**If "Yes" please attach a description.**
- 4. What percentage of the Applicant's revenue is derived from any Federal, State, or Local government contract?  
Federal: \_\_\_\_\_ %                      State/Local: \_\_\_\_\_ %
- 5. Is the Applicant currently (or during the past twelve (12) months has the Applicant been) in breach or violation of any debt covenant?  Yes  No  
**If "Yes" please attach a description.**
- 6. Has the Applicant had any private placement or other offering of securities including any capital raise through crowdfunding, within the last twelve (12) months, or anticipate having any such placement or offerings within the next twelve (12) months?  Yes  No

**If "Yes" please attach description.**

## Section G. Employment Practices Liability

Is Coverage Desired?  Yes  No

**Please complete only if this Coverage is desired.**

Please provide the following information regarding employees including Executives of the Applicant:

1. Enter the total number of employees for each section. This sum of all selections should equal the total worldwide count:

Seasonal, Temporary and Leased Employees to be included as Part-Time employees:

	All Domestic		California		Outside US
	Union	Non-Union	Union	Non-Union	
FT					
PT					
IC's					
Total worldwide employees: _____					
Total worldwide employees last year: _____					
Percentage of workforce with total annual earnings over \$100,000 annually: _____ %					
Percentage of workforce with total annual earning over \$250,000 annually: _____ %					

2. What has been the annual percentage turnover rate of employees worldwide for the past 3 years?

	Current Year	%	Prior Year	%
Employees	YTD	%	20	%
Executives	YTD	%	20	%

3. Does the Applicant have a Human Resources or Personnel Department?  Yes  No
4. Does the Applicant have a Human Resources manual or equivalent written management guidelines?  Yes  No

**If "Yes" does it address the following?**

- Legally prohibited Discrimination  Yes  No
- Sexual Harassment  Yes  No
- Compliance with the Americans and Disabilities Act  Yes  No
- Compliance with the 1991 Civil Rights Act  Yes  No
- Employee disciplinary actions  Yes  No
- Terminations, layoffs and early retirements  Yes  No
- Employee appraisals/ reviews  Yes  No

**For all "No" answers, how are these issues handled and by whom?**

**Please attach a description.**

5. Has legal counsel experienced in labor law reviewed the HR Guidelines in the last two (2) years?  Yes  No

6. Does the Applicant have an employee Handbook?  Yes  No  
**If "Yes", is the Employment Handbook distributed to all employees or maintained on an Internet location informing employees of their employment rights?**  Yes  No
7. Has the Applicant and any of its Subsidiaries implemented and adopted anti-discrimination/harassment polices?  Yes  No
8. Is there a formalized process in place for reporting complaints/harassment?  Yes  No  
**If "Yes", is there a non-retaliation policy?**  Yes  No
9. Are employment issues relating to terminations, discriminations, sexual harassment, layoffs, transfers and promotions handled by:
- Human Resources Department  Yes  No
  - Outside Counsel  Yes  No
  - Internal Legal Department  Yes  No
10. Does the Applicant use any tests to Screen Applicants or employees for employment, continued employment or promotion?  Yes  No  
**If "Yes" please attach a description.**
11. Does the Applicant review pay practices for inequities amount protected classes in the workforce?  Yes  No
12. If the Applicant is a Federal Government Contractor:
- a. Does the Applicant have an Affirmative Action Plan in place?  Yes  No
  - b. Has the Applicant been the subject of any OFCCP audit?  Yes  No
- If "Yes" please attach a description.**
13. If the Applicant has experienced (or if the Applicant is planning in the next twelve (12) months) any layoffs, reductions in workforce, or any restructuring resulting in early retirement, affecting either 5% or more of the workforce or more than 50 employees, please respond to the following:
- a. Did the Applicant use outside counsel experienced in employment law during the layoff procedure?  Yes  No
  - b. Were severance packages offered in exchange for releases not to sue?  Yes  No
  - c. How many employees were or will be affected? \_\_\_\_\_
  - d. Does the Applicant analyze whether protected classes will be adversely impacted as a result of a layoff or reduction in workforce?  Yes  No
  - e. Is this analysis reviewed by outside counsel specializing in labor law?  Yes  No

## Section H. Fiduciary Liability

Is Coverage Desired?  Yes  No

**Please complete only if this Coverage is desired.**

1. List of Plans\* for which coverage is requested:

Full name of Plans to be covered	Total assets	Plan participants	Type of Plan

**\*List any additional Plans via a separate attachment.**

2. Does any plan for which coverage is requested hold or invest in securities of the Applicant?  Yes  No
3. Are assets managed by an investment manager as defined in ERISA?  Yes  No
4. How often is the performance of the plans' investment managers reviewed?  Yes  No
- At least semi-annually  Less than semi-annually (please describe): \_\_\_\_\_

5. Is there a formal policy or procedures to determine the reasonableness of all plan fees, including revenue sharing arrangements?  Yes  No  
**If "No" please attach a description.**
6. In the past twenty four (24) months has there been, or, in the next twelve (12) months is there anticipated, any amendment that has resulted in or is expected to result in any reduction or cessation of benefits or benefit accruals, including but not limited to an increase in participants' share costs, or conversion of any defined benefit plan to a cash balance plan?  Yes  No
7. Has any plan been spun off (sold), transferred or terminated or is such a transaction being contemplated?  Yes  No
8. a. Are all defined benefit plans adequately funded in accordance with ERISA or any applicable similar common or statutory law of the United States, Canada or any state or other jurisdiction anywhere in the world, as attested to by an actuary?  N/A  Yes  No  
 (N/A-no defined benefit plans)  
**If "No" please attach a description.**
- b. Are there any overdue employer contributions for any plan, or has any plan requested or contemplated filing a request for a waiver of contributions?  Yes  No

**Section I. Commercial Crime**

Is Coverage Desired?  Yes  No

**Please complete only if this Coverage is desired.**

1. Has the Applicant incurred any crime related losses or incidents during the past three (3) years?  Yes  No

**If "Yes" please complete the table below:**

Date of Loss/Incident	Amount of Loss	Description of Loss	Current Status

2. Total number of locations for the Applicant: **US:** \_\_\_\_\_ **CAN:** \_\_\_\_\_ **Foreign:** \_\_\_\_\_
3. How many employees handle, have access to or maintain records of money, securities or other property including, but not limited to, directors, officers, trustees and any person handling or having access to employee welfare or benefit plan assets? \_\_\_\_\_
4. Does the Applicant have cash exposure exceeding the lowest deductible amount of the current Crime policy?  Yes  No  
**If "Yes" please attach a description.**
5. Is the Applicant exposed to loss of precious metals, precious or semi-precious stones, pearls, furs, or articles containing such materials that exceeds the lowest deductible amount of the current Crime policy?  Yes  No  
**If "Yes" please attach a description.**
6. Does the Applicant have access to client's money, property, securities, inventory, internal systems, or sensitive data, etc.?  Yes  No  
**If "Yes" please attach a description.**
7. Are all checks countersigned?  Yes  No
- a. Over what is the amount countersignature required? \$ \_\_\_\_\_
- b. If there is no countersignature, who signs the Applicant's checks? \_\_\_\_\_
- c. Are checks signed only by the owner(s) of the company?  Yes  No
8. Is an approved voucher or Positive Pay system used?  Yes  No
9. Are check signers instructed to require that all checks be accompanied by properly approved vouchers and/or invoices?  Yes  No
10. Are systems designed so that no single employee can control a process from beginning to end (i.e. request a check, approve a voucher and sign a check)?  Yes  No
11. Are bank accounts reconciled monthly?  Yes  No  
 If not, how often? \_\_\_\_\_

12. Are those reconcile bank statements restricted from:
- a. Handling deposits in the accounts they reconcile?  Yes  No
- b. Signing checks?  Yes  No
13. Does a second person review the reconciliation with supporting documentation on a monthly basis and initial their approval of the information?  Yes  No
14. How often and by whom are audits of cash and counts performed? \_\_\_\_\_
- 
15. How often and by whom are inventory counts conducted? \_\_\_\_\_
16. Is there a CPA letter to management relating to internal control weakness?  Yes  No
17. If no CPA letter to management was issued, did the CPA make recommendations for improvement in internal control procedures informally?  Yes  No
- If "Yes" please attach.**
18. Are background checks performed on all new hires? Check all that apply:  
 Criminal  Prior Employment  Credit History  References
19. Are mid-employment screenings performed when employees are promoted to sensitive positions?  Yes  No
20. Is there a system in place that allows for the reporting of suspicious activity and/or unauthorized transactions confidentially?  Yes  No
21. Are background checks performed on vendors in order to their veracity prior to engaging in business and is there dual control over this process so one employee cannot set up a fictitious vendor in the system without being detected?  Yes  No
22. Is an unauthorized vendor list used and updated regularly for all purchases, with competitive bidding require over stated amounts?  Yes  No
23. What is the daily average number and dollar volume of wire transfers? \_\_\_\_\_
24. What is the maximum dollar volume that may be transferred per day? \_\_\_\_\_
25. Is approval by more than one person required to initiate a wire transfer?  Yes  No
26. Does the Applicant's financial institution call an employee other than one who requested the transfer before acting on the request?  Yes  No
27. Does the Applicant receive hard copy confirmations on all wire transfers and are they sent directly to a department not authorized to initiate transfers?  Yes  No

**Section J. Cyber Liability**

Is Coverage Desired?  Yes  No

**Please complete only if this Coverage is desired.**

1. Provide the approximate number of records the Applicant handles, processes, stores, destroys, or maintains containing the following:

Type of Records	Number of Records
PII (Personally Identifiable Information)	
PHI (Protected Health Information)	
Financial Account Information	



2. Indicate if the Applicant outsources any of the following services to the third party vendors:

Type of Service	Check One Box for Each	Name of Third Party Vendor (If Applicable)
IT Security	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Data Hosting	<input type="checkbox"/> Yes <input type="checkbox"/> No	
IT Infrastructure	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Data Back-up	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Data Disposal	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Data Storage	<input type="checkbox"/> Yes <input type="checkbox"/> No	

3. Does the Applicant have a formal risk assessment methodology which includes at least an annual review of organization risks?  Yes  No

4. Indicate if the Applicant uses each of the following technologies:
- Firewalls at the perimeter of the network  Yes  No
  - Firewalls in front of sensitive resources inside the network  Yes  No
  - Corporate antivirus/anti-malware software  Yes  No
  - Intrusion detection systems  Yes  No
  - Centralized log collection and monitoring  Yes  No
  - Proactive vulnerability scanning/penetration testing  Yes  No
  - Physical controls preventing access to the devices themselves  Yes  No
  - If Applicable, describe Other: \_\_\_\_\_  Yes  No

5. Does the Applicant have a process in place to ensure that all confidential data is encrypted?  Yes  No

6. Does the Applicant enforce a patch management process?  Yes  No

7. Does the Applicant maintain a formal Information Security Policy communicating how information is protected by the organization?  Yes  No

8. Does the Applicant have an established cybersecurity training program for all employees?  Yes  No

9. Does the Applicant have an established procedure for editing or removing content from their website that might be construed as libellous, slanderous, or infringing on the intellectual property rights of others?  Yes  No

10. Does the Applicant have an active Business Continuity Plan (BCP)?  Yes  No

If "Yes", is the BCP tested annually?  Yes  No

11. Approximately how much revenue does the Applicant generate hourly? \$ \_\_\_\_\_

12. How many data centers does the Applicant have? \_\_\_\_\_

13. Has the Applicant ever had a system outage?  Yes  No

If "Yes", what was the duration of the outage? \_\_\_\_\_

### FRAUD WARNING STATEMENTS

**NOTICE TO ARKANSAS, LOUISIANA 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 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 Agencies.

**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 (or any supplemental application, questionnaire or similar document) 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 MAINE APPLICANTS:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the 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 NEW MEXICO 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 civil fines and criminal 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.

**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.

**NOTICE TO OREGON APPLICANTS:** 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 information for the purpose of misleading, commits a fraudulent insurance act, which may be a crime and may subject such person to criminal and civil penalties.

**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 company. Penalties include imprisonment, fines and denial of insurance benefits.

**LEGAL NOTICES AND SIGNATURES**

BEFORE YOU SIGN THIS APPLICATION, READ THESE NOTICES CAREFULLY AND DISCUSS WITH YOUR BROKER IF YOU HAVE ANY QUESTIONS.

FOR THE PURPOSE OF THIS APPLICATION, THE UNDERSIGNED DULY AUTHORIZED REPRESENTATIVE OF ALL PERSON(S) OR ENTITIES PROPOSED FOR THIS INSURANCE DECLARES THAT, TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS IN THIS APPLICATION, AND IN ANY ATTACHMENTS, ARE TRUE AND COMPLETE.

THE UNDERSIGNED DULY AUTHORIZED REPRESENTATIVE AGREES THAT IF THE STATEMENTS AND INFORMATION SUPPLIED ON THIS APPLICATION OR INCORPORATED BY REFERENCE 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 OR MODIFY ANY OUTSTANDING QUOTES AND/OR AUTHORIZATIONS OR AGREEMENTS TO BIND THE INSURANCE.

SIGNING THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE INSURER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THIS APPLICATION AND ANY INFORMATION INCORPORATED BY REFERENCE HERETO, SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IS INCORPORATED INTO AND IS PART OF THE POLICY.

SHOULD INSURER ISSUE A POLICY, APPLICANT AGREES THAT SUCH POLICY IS ISSUED IN RELIANCE UPON THE TRUTH OF THE STATEMENTS AND REPRESENTATIONS IN THIS APPLICATION OR INCORPORATED BY REFERENCE HEREIN. ANY MISREPRESENTATION, OMISSION, CONCEALMENT OR INCORRECT STATEMENT OF A MATERIAL FACT, IN THIS APPLICATION, INCORPORATED BY REFERENCE OR OTHERWISE, SHALL BE GROUNDS FOR THE RESCISSION OF ANY POLICY ISSUED.

THE UNDERSIGNED DULY AUTHORIZED REPRESENTATIVE 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 COST 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 JUDGEMENT OR SETTLEMENT TO THE EXTENT THAT SUCH EXCEEDS THE LIMIT OF LIABILITY OF THIS POLICY.

**WARNING**

**FRAUD WARNING: 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 IS GUILTY OF INSURANCE FRAUD. THIS IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.**

**(FOR NEW YORK INSURED: AN ACT OF INSURANCE FRAUD SHALL BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED \$5,000 AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.)**

Signed: \_\_\_\_\_  
(Duly authorized representative, by and on behalf of the Applicant)

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

**MUST BE SIGNED BY THE APPLICANT'S CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, OR GENERAL COUNSEL.**

**FOR FLORIDA APPLICANTS ONLY:**

Agent Name: \_\_\_\_\_

Agent License Identification Number: \_\_\_\_\_

**FOR IOWA APPLICANTS ONLY:**

Broker: \_\_\_\_\_

Address: \_\_\_\_\_

**FOR MISSOURI AND WYOMING APPLICANTS ONLY:**

**PLEASE ACKNOWLEDGE AND SIGN THE FOLLOWING DISCLOSURE TO YOUR APPLICATION FOR INSURANCE:**

**THE APPLICANT UNDERSTANDS AND ACKNOWLEDGES THAT THE POLICY FOR WHICH IT IS APPLYING CONTAINS A DEFENSE WITHIN LIMITS PROVISION WHICH MEANS THAT CLAIMS EXPENSES WILL REDUCE THE POLICY'S LIMITS OF LIABILITY AND MAY EXHAUST THEM COMPLETELY. SHOULD THAT OCCUR, THE APPLICANT SHALL BE LIABLE FOR ANY FURTHER CLAIMS EXPENSES AND DAMAGES.**

Signed: \_\_\_\_\_

(Duly authorized representative, by and on behalf of the Applicant)

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