
**BY COMPLETING THIS APPLICATION YOU ARE APPLYING FOR COVERAGE WITH
FEDERAL INSURANCE COMPANY (THE "COMPANY")**

NOTICE: THE BPL FOR FINANCIAL INSTITUTIONS POLICY IS A CLAIMS MADE POLICY, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" OR AN APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY TO PAY "LOSS" WILL BE REDUCED, AND MAY BE EXHAUSTED, BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE RETENTION AMOUNT. IN NO EVENT WILL THE COMPANY BE LIABLE FOR "DEFENSE COSTS" OR ANY OTHER "LOSS" IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY. READ THE ENTIRE APPLICATION CAREFULLY.

APPLICATION INSTRUCTIONS

1. Whenever used in this Application, the term "**Applicant**" shall mean the Parent Organization and all Subsidiaries.
 2. Include all requested underwriting information and attachments. Provide a complete response to all questions and attach additional pages if necessary.
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I. GENERAL INFORMATION

1. a. Name of **Applicant**: _____
 - b. Address of **Applicant**: _____
City: _____ State: _____ Zip Code: _____ Telephone: _____
 - c. Web address: _____
 - d. Name of Primary Contact _____
 - e. Address of Primary Contact: _____
City: _____ State: _____ Zip Code: _____ Telephone: _____
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II. SPECIFIC INFORMATION

Please complete each of the following Supplements that pertains to the **Applicant's** services and for which the **Applicant** desires coverage, and then complete Section IV of this Supplemental Application.

- A. Trust Department Functions
- B. Data Processing Services
- C. Insurance Agent/Agency
- D. Investment Adviser/Counselor/Manager
- E. Lending or Leasing Services
- F. Pension Fund Management
- G. Proprietary Mutual Funds
- H. Real Estate Agency
- I. Securities Broker/Dealer
- J. Wire Transfer Services
- K. Other Financial Services

A. TRUST DEPARTMENT FUNCTIONS

Name of **Applicant**: _____

Year Trust Department functions established or purchased: _____

SECTION I – ASSET DISTRIBUTION

1. With respect to all accounts in the Trust Department, please provide the following (include consolidated information for the **Applicant** and all subsidiaries):

	<u>No. of Accounts</u>	<u>Market Value of Assets (in Thousands)</u>	<u>Managed / Discretionary</u>	<u>Advisory/Non- Discretionary</u>	<u>Custodial</u>
Individual Accounts Trusts, Estates (excluding ERISA)	_____	\$ _____	_____ %	_____ %	_____ %
ERISA Accounts:					
HR-10 and IRA Plans	_____	\$ _____	_____ %	_____ %	_____ %
Non-ERISA Pension Plans	_____	\$ _____	_____ %	_____ %	_____ %
Other Institutional	_____	\$ _____	_____ %	_____ %	_____ %
Other	_____	\$ _____	_____ %	_____ %	_____ %
TOTAL	_____	\$ _____	_____ %	_____ %	_____ %
Corporate Trust:					
Trustee under Bond Indenture	_____	\$ _____	_____ %	_____ %	_____ %
Fiscal Agent	_____	\$ _____	_____ %	_____ %	_____ %
Sinking Fund Agent	_____	\$ _____	_____ %	_____ %	_____ %
Escrow Agent	_____	\$ _____	_____ %	_____ %	_____ %
Transfer Agent	_____	\$ _____	_____ %	_____ %	_____ %
Registrar	_____	\$ _____	_____ %	_____ %	_____ %
Dividend Disbursing Agent	_____	\$ _____	_____ %	_____ %	_____ %
All Other	_____	\$ _____	_____ %	_____ %	_____ %
TOTAL	_____	\$ _____	_____ %	_____ %	_____ %
Mutual Funds:					
Custodian	_____	\$ _____	_____ %	_____ %	_____ %
Transfer Agent	_____	\$ _____	_____ %	_____ %	_____ %
Registrar	_____	\$ _____	_____ %	_____ %	_____ %
Dividend Disbursing Agent	_____	\$ _____	_____ %	_____ %	_____ %
All Other	_____	\$ _____	_____ %	_____ %	_____ %
TOTAL	_____	\$ _____	_____ %	_____ %	_____ %

2. For each Common Trust Fund that the **Applicant** sponsors, provide the following:

Name	Fund Objective	Most Recent Market Value Assets	Most Recent Book Value Assets
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____
_____	_____	\$ _____	\$ _____
TOTAL		\$ _____	\$ _____

3. Trust Accounts:

- a. Asset value of Largest Managed/Discretionary account: \$ _____
- b. Asset value of Largest Non-Discretionary account: \$ _____
- c. Asset value of Largest Custodial account: \$ _____

SECTION II – SECURITIES PROCESSING AND INVESTMENTS

- 1. a. Please provide, on a separate sheet, full details describing and naming the trust accounting system(s) in use (if different systems are in use at different subsidiaries, so indicate).
- b. Provide the installation date(s) of the current trust accounting system(s): _____
- c. Does the **Applicant** plan to install a new trust accounting system in the next 18 months? YES NO

2. Does the **Applicant** perform management or advisory functions with respect to:

- | | <u>Total Value of Assets</u> |
|---|------------------------------|
| a. Closely-held Businesses? | \$ _____ |
| b. Farms and Ranches? | \$ _____ |
| c. Other Real Estate? | \$ _____ |
| d. Mergers, Acquisitions, or Takeovers? | \$ _____ |
| e. Oil, Gas, or Other Mineral Leases? | \$ _____ |
| f. Timber Interests? | \$ _____ |

If yes, please provide, on a separate sheet, the policies and procedures which govern each activity.

3. Does the **Applicant's** investment division recommend or provide any of the following specialty investments:

- a. Below Investment Grade Bonds? YES NO
- b. Cattle Trusts or Ventures? YES NO
- c. Commodity or Other Futures? YES NO
- d. Precious Metals? YES NO
- e. Mortgages, Mortgage Pools, or Other Mortgage-Backed Securities? YES NO
- f. Oil/Gas Leases or Investments? YES NO
- g. Covered Call Options? YES NO
- h. Option Contracts or Futures, Foreign Exchange or other Derivative Products? YES NO
- i. General Limited Partnerships? YES NO
- j. Real Estate? YES NO
- k. Foreign Securities (Domestic Exchange)? YES NO
- l. International Securities (Non-Domestic Stock Exchange)? YES NO
- m. Over-the-Counter Securities? YES NO
- n. Restricted Securities? YES NO

If yes, please provide, on a separate sheet, the policies and procedures which govern each specific investment area.

4. Does the **Applicant** have an approved list of securities in which assets held by the Trust Department may be invested? YES NO
5. a. Does the **Applicant** enter into any repurchase/reverse repurchase agreements, securities lending agreements, and/or other similar type of transactions that involve the assets of any trust, investment management, or custodial account? YES NO
- b. **If yes**, does the Trust Department obtain the clients' written authorization to enter into these transactions? YES NO
- c. If the answer to 5.a. above is yes, please attach the following?
- (1) The **Applicant's** policies for approval of transactions.
 - (2) Procedures for approving Broker/Dealers and other institutions.
 - (3) A list of dollar amounts outstanding and the name(s) of the Broker/Dealer(s) or other institution(s).
 - (4) The procedures used to monitor and account for collateral in these transactions.
6. a. Do the **Applicant's** commercial departments underwrite or participate in the underwriting of debt securities? YES NO
- b. Does the Trust Department serve as trustee for any debt securities underwritten by the **Applicant's** commercial departments? YES NO

If yes, please provide the following:

- (1) Number of issues: _____
- (2) Total amount of debt outstanding: \$ _____

- c. Does the **Applicant** serve as trustee for any debt underwritten by other institutions and issued by any:
- (1) governmental or quasi-governmental entity? YES NO
 - (2) Private or public corporation? YES NO

If yes is indicated in response to either of these questions, complete the following section:

	<u>Governmental or Quasi-Governmental Entity</u>	<u>Private or Public Corporation</u>
(1) Number of issues:	_____	_____
(2) Total amount of debt outstanding:	\$ _____	\$ _____
(3) Number of issues rated by Moody's or Standard & Poor's	_____	_____
(4) Number of issues in default:	_____	_____
(5) Amount of debt outstanding for issues in default:	\$ _____	\$ _____
(6) Number of issues supported by a letter of credit, credit line, or some other form of credit support:	_____	_____
If this support is provided by Applicant or an affiliate, please indicate:		
(a) Total number of issues:	_____	_____
(b) Total amount of debt outstanding:	\$ _____	\$ _____
(7) Number of issues backed by municipal bond or financial guaranty insurance:	_____	_____
(8) Number of issues backed by federally guaranteed mortgages:	_____	N/A
(9) Number of multi-family housing issues backed by municipal bond insurance:	_____	N/A

d. Does the **Applicant** have a special unit to administer accounts where it is acting as trustee for debt securities? YES NO

If yes, provide an organizational chart of the unit.

e. Does the **Applicant** have a special team to handle "defaults" or troubled accounts? YES NO

If yes, please provide, on a separate sheet, full details describing the organization of the team and its procedures.

f. Please provide, on a separate sheet, full details describing the procedures followed to monitor the call provisions for any debt or equity security for which the **Applicant** acts as trustee or registrar.

SECTION III – FIDUCIARY ACTIVITIES

1. When the **Applicant** succeeds another bank, entity, or person as trustee, is a hold harmless agreement executed in the **Applicant's** favor? YES NO

If no, please provide, on a separate sheet, full details describing how the **Applicant** protects itself from liabilities of the predecessor trustee.

2. a. Does the **Applicant** control 5% or more of the stock of any corporation via its trust functions? YES NO

If yes, please provide, on a separate sheet, a listing and the percentage held of each corporation.

- b. Is the **Applicant** involved in the management or actual operation or any of the corporations listed in 2.a. above? YES NO

- c. Does any Director, Officer or employee of the **Applicant** act in the capacity of Director or Officer of any of the corporations listed in 2.a. above? YES NO

If yes, please provide, on a separate sheet, the names of the corporation, the names of the individuals holding the positions, and the positions held.

It is agreed that coverage is not provided under this Policy for the outside positions or corporations listed in conjunction with the above question.

SECTION IV – BUSINESS OPERATIONS

1. a. If the **Applicant** is a multi-bank holding company, are trust powers exercised by more than one subsidiary? YES NO

If yes, please describe on a separate sheet, the policies and procedures the holding company utilizes to coordinate and control trust functions, including Board oversight at the holding company level.

- b. Please attach an organizational chart.

- c. Have there been any changes in senior management of the **Applicant's** Trust Department within the past year? YES NO

If yes, please provide, on a separate sheet, full details.

- d. Does the **Applicant** employ full-time in-house legal counsel who is dedicated solely to providing legal advice to the **Applicant's** Trust Department? YES NO

If no, please provide the name(s) and address(es) of the outside law firm acting as trust counsel:

- e. Before accounts are accepted, does the law firm or internal counsel review:
(1) Personal trust documents? YES NO
(2) Corporate trust documents? YES NO

If no, please provide, on a separate sheet, the review procedures.

2. How often are statements and accountings rendered to clients? _____
Please attach a sample statement.

3. Has the **Applicant** discontinued any trust functions within the past 12 months or does it intent to do so within the next 12months? YES NO

If yes, please provide, on a separate sheet, full details.

4. a. Does the Trust Department have its own Compliance Officer? YES NO

If yes, what percentage of the Officer's time is spent on the compliance function? _____ %

If no, please provide, on a separate sheet, a description of how this function is accomplished.

b. To whom and with what frequency does your Compliance Officer provide formal findings?

5. a. State the dates of the most recent internal, external, and regulatory audits of Trust Department and Common Trust Funds:

	Trust Department	Common Trust Funds
	<u>Latest Audit</u>	<u>Latest Audit</u>
Internal	_____	_____
External	_____	_____
Regulatory	_____	_____

b. Were any recommendations or criticisms made in the most recent audits in the following categories:

- | | | |
|-----------------|------------------------------|-----------------------------|
| (1) Internal? | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| (2) External? | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| (3) Regulatory? | <input type="checkbox"/> YES | <input type="checkbox"/> NO |

If yes regarding any category, please provide, on a separate sheet, a copy of the recommendations or criticisms.

c. Have all recommendations or criticisms been corrected:

- | | | |
|-----------------|------------------------------|-----------------------------|
| (1) Internal? | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| (2) External? | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| (3) Regulatory? | <input type="checkbox"/> YES | <input type="checkbox"/> NO |

If no, please provide, on a separate sheet, full details.

6. As part of this Supplemental Application, please submit the following with respect to the **Applicant** (if n/a, please indicate):

- a. Latest Independent Audit Report of trust functions.
- b. Latest Annual Report for each Common Trust Fund.
- c. Latest Internal Audit Report of trust functions and any written response thereto.
- d. Copy of **Applicant's** current Trust Department E&O or Bankers Professional Liability Policy.
- e. Latest Annual Report of Trust Assets filed with the FDIC, OCC or The Federal Reserve (for each Bank if a multi-bank holding company).

B. DATA PROCESSING SERVICES

1. Name of **Applicant**: _____

2. Year service established or purchased: _____

3. Indicate the types of business services provided, and the annual income from each type:

Type	YES	NO	ANNUAL FEES
a. Accounting	<input type="checkbox"/>	<input type="checkbox"/>	_____
b. Payroll	<input type="checkbox"/>	<input type="checkbox"/>	_____
c. Accounts Pay/Rec.	<input type="checkbox"/>	<input type="checkbox"/>	_____
d. Cost/Gen. Acct.	<input type="checkbox"/>	<input type="checkbox"/>	_____
e. Management Reporting	<input type="checkbox"/>	<input type="checkbox"/>	_____
f. Other (Please provide, on a separate sheet, full details)	<input type="checkbox"/>	<input type="checkbox"/>	_____
TOTAL FEES			_____

4. Indicate the types of data services provided and percentage of data processing revenue derived from each:

Type	YES	NO	% OF PROCESSING FEES
a. Check Processing	<input type="checkbox"/>	<input type="checkbox"/>	_____
b. Data Storage	<input type="checkbox"/>	<input type="checkbox"/>	_____
c. Data Entry	<input type="checkbox"/>	<input type="checkbox"/>	_____
d. Data Collection	<input type="checkbox"/>	<input type="checkbox"/>	_____
e. Data Processing	<input type="checkbox"/>	<input type="checkbox"/>	_____
f. Other (Please provide, on a separate sheet, full details)	<input type="checkbox"/>	<input type="checkbox"/>	_____

5. Does the **Applicant** have a comprehensive disaster recovery plan? YES NO

If yes, indicate the name of the offsite center: _____

If no, please provide, on a separate sheet, full details describe the procedures in place for disaster recovery.

6. Does the **Applicant** have a specialized EDP audit staff? YES NO

If yes, are they required to obtain the Certified Information Systems Auditor designation? YES NO

7. Do clients have contractual responsibility for determining the accuracy of results? YES NO

8. Is this service rendered under a contract? YES NO

If yes:

a. Are all contracts approved by counsel? YES NO

b. Do all contracts provide indemnity and/or limitations to the **Applicant's** liability? YES NO

c. Please provide a copy of a standard contract.

If no, please provide, on a separate sheet, full details describing how the **Applicant** protects itself from liability.

C. INSURANCE AGENT/AGENCY

1. Name of **Applicant**: _____

2. Year service established or purchased: _____

3. Total Number of Staff:

- a. Licensed Agents _____
- b. Licensed Brokers _____
- c. Licensed Consultants _____
- d. Series & (NASD) _____
- e. CSR's _____
- f. All Other Employees _____

4. Total Number of Offices from which the **Applicant** transacts this business: _____

5. List the types of insurance or other service which the **Applicant** currently offers and the volume of each line during the last 12 months.

Type			12 Month Volume	Income		
a. Health	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
b. Disability	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
c. Accident	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
d. Credit Life	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
e. Other Life	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
f. Annuities	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
g. Home Owners	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
h. Commercial P&C	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
i. Professional Liability	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
j. Insurance Consulting	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
k. Loss Control	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
l. Claim Services	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
m. Investments	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____
n. Other	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO	\$ _____	\$ _____

Does the **Applicant** expect any material change(s) in the list above within the next 18 months? YES NO

If yes, please explain, on a separate sheet.

6. Does the **Applicant** solicit business only from Bank customers? YES NO

If no, please describe, on a separate sheet, the **Applicant's** marketing strategies, e.g., direct mail, advertising, etc.

7. Does the **Applicant** retain any underwriting authority? YES NO

If yes, please describe, on a separate sheet, the product line and authority, and whether binding authority has been granted.

8. Does the **Applicant** have the authority to settle claims? YES NO

If yes, for whom and describe the limits of the authority.

9. Is the **Applicant** a Managing General Agent for any company? YES NO

If yes, for whom? _____

10. Please provide, the top 5 insurance companies, by written premium volume, with whom the **Applicant** does business as an agency:

Company	Written Premium
a. _____	\$ _____
b. _____	\$ _____
c. _____	\$ _____
d. _____	\$ _____
e. _____	\$ _____

11. Does the **Applicant** solicit business and take applications over the internet? YES NO

If yes, describe the type of insurance and associated written premium.

12. During the past 5 years, has any past or present person or entity within your agency been the subject of:

- a. a criminal investigation? YES NO
- b. charged with a crime? YES NO
- c. an investigation or disciplinary proceeding by any regulatory agency? YES NO

If yes, please explain, on a separate sheet.

13. Who reviews all marketing and sales literature, brochures, and pamphlets prior to distribution?

Name	Title
a. _____	_____
b. _____	_____
c. _____	_____
d. _____	_____

14. Has the **Applicant**, within the last 3 years, had to replace a carrier on any workers compensation business where the previous provider of the insurance ceased writing the business for any reason? YES NO

Name of Carrier/Insurer	No. of Clients/Insured	Premium Volume
a. _____	_____	_____
b. _____	_____	_____
c. _____	_____	_____
d. _____	_____	_____
e. _____	_____	_____
f. _____	_____	_____
g. _____	_____	_____
h. _____	_____	_____

15. Does the **Applicant** have any fee plus commission arrangements with any Clients/Insured? YES NO

If yes, are all such arrangements disclosed to the Client/Insured? YES NO

If yes, please describe your method of disclosure.

D. INVESTMENT ADVISER/COUNSELOR/MANAGER

1. Name of **Applicant**: _____

2. Year service established or purchased: _____

3. Exclusive of your Trust Department indicate the number of accounts for which investment advice is provided by the **Applicant**: _____

- a. What is the total value of the assets for which Investment advice is provided? _____
- b. What is the value of the largest account? _____
- c. What are the total fees earned by this service? _____

4. Are services provided for:

- a. Individuals? YES NO
- b. Corporations? YES NO
- c. Charitable Institutions/Foundations? YES NO
- d. **Applicant's** or an affiliated Trust Department? YES NO
- e. Mutual Funds? YES NO
- f. ERISA? YES NO

5. Do customers complete a questionnaire or other written document which clearly identifies and states the customer's investment objectives? YES NO

6. Does the **Applicant** recommend investment areas other than commonly traded securities? YES NO

If yes, please provide, on a separate sheet, full details describing the specialty area, state its percentage and total investment assets, objectives of investment and geographic locations, if applicable.

7. Is this service rendered under a contract? YES NO

If yes:

- a. are all contracts approved by counsel? YES NO
- b. do all contracts provide indemnity and/or limitations to the **Applicant's** liability? YES NO
- c. please provide a copy of a standard contract.

If no, please provide, on a separate sheet, full details describing how the **Applicant** establishes customer expectations for service.

8. Please provide, on a separate sheet, full details describing professional qualifications of individuals involved in providing this service or Form ADV, if applicable.

9. Name and title of the Compliance Officer charged with monitoring your investment management function:

Name	Title
_____	_____

E. LENDING OR LEASING SERVICES

1. Name of **Applicant**: _____
2. Year service established or purchased: _____
3. Please attach a copy of the most recent itemized summary describing the type and volume of loans and leases as presented to the Board of Directors.
4. Is there a formal lending policy (adopted by the Board of Directors) addressing all types of loans and leases in which the **Applicant** participates? YES NO
- a. **If Yes**, is it ratified by the Board of Directors? YES NO
- b. If there is no formal lending policy, please describe, on a separate sheet, how the lending policy is administered.
5. Does your formal lending policy describe minimum documentation standards for each type of loan or lease in which the **Applicant** participates? YES NO
- If no**, please describe, on a separate sheet, what are the **Applicant's** minimum documentation standards.
6. Who is responsible for detecting exceptions to required documentation?

7. Who is charged with the responsibility of monitoring the **Applicant's** lending function?

8. Is there a loan committee? YES NO
- If no**, please describe, on a separate sheet, the loan review process.
9. Is there an independent credit review function? YES NO
10. Is there an independent function to resolve problem loans? YES NO
11. Is each loan customer required to complete a loan application? YES NO
- If no**, under what circumstances is a loan application not required?

12. Are all loan declinations notified in writing to the loan or lease customer as to reason(s) for the declination? YES NO
- If no**, please describe exceptions:

13. Are formal commitment letters provided to all approved loans, leases and/or approved lines of credit? YES NO
- If no**, please describe exceptions on a separate sheet.
14. Does the **Applicant** use third party loan originators? YES NO
- If yes**, please denote the \$ volume of loans produced from such originators: \$ _____

15. Does the **Applicant** engage in sub-prime lending? YES NO
If yes, please denote the \$ volume of sub-prime loans: \$ _____
16. Does the **Applicant** make "payday" loans? YES NO
If yes, please denote the \$ volume of "payday" loans: \$ _____
17. Does the **Applicant** purchase or participate in loans from other institutions? YES NO
If yes:
a. what percentage of your loan portfolio are purchased participations? _____ %
b. list, on a separate sheet, those institutions with whom you participate.
18. Does the **Applicant** require signatures on loan documents to be obtained in the presence of a loan officer of the **Applicant**? YES NO
19. Does the **Applicant** retain negotiable collateral under dual control? YES NO
20. Have all Internal Audit and Compliance exceptions within the lending and leasing functions been corrected? YES NO
If no, please provide, on a separate sheet, full details.
21. Does the **Applicant** ever become involved in the management of a business of any customer either directly or indirectly? YES NO
If yes, please provide, on a separate sheet, full details.
22. Have all regulatory criticisms as respects lending and leasing services been addressed and corrected to the satisfaction of the **Applicant's** regulator(s)? YES NO
If no, please provide, on a separate sheet, full details.

F. PENSION FUND MANAGEMENT

1. Name of **Applicant**: _____
2. Year service established or purchased: _____
3. For each type of the following services offered by the **Applicant**, please indicate the number of accounts, total assets, and size of largest account:

<u>Type</u>	<u>No. of Accounts</u>	<u>Total Assets</u>	<u>Size of Largest Account</u>
a. Pension Accounts	_____	_____	_____
b. 401K Plans	_____	_____	_____
c. Thrift Plans	_____	_____	_____
d. ESOP	_____	_____	_____
TOTALS	_____	_____	_____

4. What functions does the **Applicant** perform for these accounts?

<u>Function</u>	<u>Assets in Category</u>
a. Trustee	_____
b. Plan Administrator	_____
c. Custodian	_____
d. Record Keeper	_____
e. Investment Advisor	_____
f. Transfer Agent	_____
g. Other (please describe)	_____

5. How does the **Applicant** monitor the performance of outside companies/professionals for whom you are responsible and who are involved with the account(s)?

6. Does the **Applicant** manage a special group of pooled funds for ERISA accounts? YES NO

If yes, submit the last two annual reports for these funds.

7. Are any assets which the **Applicant** holds as an ERISA fiduciary invested outside the United States? YES NO

If yes, please indicate **Applicant's** role:

	<u>Assets in Category</u>
Custodian	_____
Investment Manager	_____

8. Are any of the accounts invested in mutual funds managed by other organizations? YES NO

If yes, please indicate the funds, investment manager, and asset size:

<u>Fund Name</u>	<u>Manager</u>	<u>Assets Invested</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

9. Are ERISA accounts managed by a special unit? YES NO

If yes, please indicate the average years of experience of the officers.

10. Is this service rendered under a contract? YES NO

If yes:

- a. are all contracts approved by counsel? YES NO
- b. do all contracts provide indemnity and/or limitations to the **Applicant's** liability? YES NO
- c. please provide a copy of a standard contract.

If no, please describe, on a separate sheet, how the **Applicant** protects itself from liabilities.

G. PROPRIETARY MUTUAL FUNDS

1. Name of **Applicant**: _____
2. Year service established or purchased: _____
3.
 - a. Please indicate the number of investment companies as defined by the Investment Company Act of 1940 which are proprietary. _____
 - b. What is the total market value of the assets of these funds? _____
 - c. What is the name of and value of the assets in the largest fund? _____
 - d. Please provide a current prospectus for each fund. Attached YES NO
4. Which of the following services does the **Applicant** provide?

a. Accounting	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
b. Custody of Securities	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
c. Sales & Distribution	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
d. Investment Advice & Portfolio Management	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
e. Transfer Agency	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
f. Valuation	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
g. Other: <i>Please explain</i> _____	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
5. What area/department is responsible for your proprietary funds?

6. Please provide a listing of outside service providers and services provided to the funds:

7. Are the funds and fund administration audited by your internal audit department? YES NO
8. Who is responsible for administering compliance of the funds? _____
9. Who is largest distributor of the funds? _____
10. Do you employ 12b-1 (distribution) fees? YES NO
11. Have you recently changed any fee structures in the funds? YES NO
If yes, please describe, on a separate sheet.
12. Have you changed any of the portfolio managers on any of the funds in the last 24 months? YES NO
If yes, on a separate sheet, please name the fund(s) and the reason for the changes.
13. Do any of your employees, directors or officers sit on the board of any funds? YES NO
If yes, on a separate sheet, please list the individuals and the associated fund(s) for which they sit on the board.

14. Is either the **Applicant** or any of its proprietary funds currently under any investigation by either a state, the SEC or any other self-regulatory organization? YES NO

If yes, on a separate sheet, please describe the investigation, what prompted it, and any established conclusions.

15. Has the **Applicant** received a deficiency letter regarding any of the funds in the last 3 years? YES NO

If yes, on a separate sheet, please describe the nature of the deficiency cited, the associated fund and the corrective action(s) taken.

16. Has the **Applicant** or any of the funds been investigated or cited in conjunction with late trading or market timing issues? YES NO

If yes, on a separate sheet, please describe the nature of the investigation, the name of the fund(s) and any conclusion, that have been established.

H. REAL ESTATE AGENCY

1. Name of **Applicant**: _____

2. Year service established or purchased: _____

3. Real Estate Broker or Agent:

a. Does the **Applicant** perform real estate broker or agent functions? YES NO

If yes, provide the following information for the past year:

	<u>Number of Properties Sold</u>	<u>Total Value</u>	<u>Total Commissions</u>
(1) Commercial	_____	_____	_____
(2) Residential	_____	_____	_____
(3) Other	_____	_____	_____
TOTALS	_____	_____	_____

b. Number of employees who are licensed as a real estate broker or agent? _____

4. Real Estate Appraiser:

a. Does the **Applicant** perform real estate appraiser functions? YES NO

If yes, provide the following for the past year:

	<u>Number of Appraisals</u>	<u>Fee Income</u>
(1) Commercial	_____	_____
(2) Residential	_____	_____
(3) Other	_____	_____
TOTALS	_____	_____

b. Number of employees acting as real estate appraisers? _____

c. Are all real estate appraisers required to obtain professional certification and belong to professional associations for appraisers? YES NO

If yes, indicate the certifications and professional associations:

5. Real Estate Manager:

Does the **Applicant** perform real management functions? YES NO

If yes, provide the following:

	<u>Number of Properties Managed</u>	<u>Estimated Total Value</u>	<u>Management Fees</u>
a. Commercial	_____	_____	_____
b. Residential	_____	_____	_____
c. Other	_____	_____	_____
TOTALS	_____	_____	_____

6. Do sales contracts and/or property management contracts provide indemnity and/or limitations as to the **Applicant's** liability? YES NO

If no, please explain policies and procedures:

7. Does the **Applicant** require a hazardous waste survey before accepting appointment as manager of properties? YES NO

If no, please explain policies and procedures:

8. Are there specific guidelines regarding the maintenance of insurance on managed properties? YES NO

I. SECURITIES BROKER/DEALER

1. Name of **Applicant**: _____
2. Year service established or purchased: _____
3. Number of Registered Representatives: _____
4. Name and title of person who has functional responsibility for monitoring compliance of Registered Representatives:

5. Please check the type of services offered and corresponding revenue:

<u>Services</u>	<u>Revenue</u>
a. <input type="checkbox"/> Investment Counseling/Advice	\$ _____
b. <input type="checkbox"/> Full Service Brokerage	\$ _____
c. <input type="checkbox"/> Financial Planning	\$ _____
d. <input type="checkbox"/> Stop Loss or Limit Orders	\$ _____
e. <input type="checkbox"/> Customer Buy/Sell Orders	\$ _____
f. <input type="checkbox"/> Discount Brokerage	\$ _____
g. <input type="checkbox"/> Other (please specify below)	\$ _____

6. Average daily trading volume: _____
7. State percentage of volume of margin account transactions? _____
8. What percentage of accounts are:
 Individual _____ Corporate _____ Institutional _____ Other _____

9. a. Name and title of person who has functional responsibility for receiving and resolving customer complaints:

- b. Give number of complaints received in the past three years: _____
- c. How many were unresolved after 60 days? _____

10. Does the **Applicant** maintain an approved investment product list? YES NO

If yes, how often is the list reviewed and by whom? _____

11. State percentage of revenues which are derived from the following:

a. Listed Stocks	_____
b. Unlisted Stocks	_____
c. Bonds	_____
d. Unregistered Stocks and Bonds	_____
e. Commercial Paper	_____
f. Options Contracts	_____
g. Commodity Futures	_____
h. International Securities (non-domestic stock exchange)	_____
i. Mutual Funds	_____
j. Limited Partnerships	_____

- k. Direct Private Placements _____
- l. Market Making/Specialist _____
- m. Underwriting _____
- n. Other (please specify) _____

12. a. Does the brokerage operation clear its own trades? YES NO

If no, indicate the name of the broker or clearing agent used:

b. Is the broker or clearing agent selection reviewed annually? YES NO

c. Is there a hold harmless clause in the contract with the broker or clearing agent to protect the **Applicant** for improperly executed trades? YES NO

13. a. Do clients sign a written brokerage contract with the **Applicant's** brokerage operation? YES NO

b. Does the contract contain an arbitration agreement? YES NO

c. If the operation is a discount brokerage, does the contract or other literature given to customers clearly define the firm's responsibility and specifically indicate that no investment advice is to be given? YES NO

d. Please provide a copy of a standard contract. Attached YES

14. a. Does the **Applicant** have an economic forecasting operation? YES NO

If yes, please provide, on a separate sheet, full details describing the types of financial and economic advisory projects performed for customers.

b. What was the total fee income generated from these forecasting activities during the past year?
 \$ _____

15. a. Does the **Applicant** employ procedures intended to protect itself when succeeding another brokerage or advisor? YES NO

If yes, please provide, on a separate sheet, full details.

J. WIRE TRANSFER SERVICES

1. Name of **Applicant**: _____
2. Year service established or purchased: _____
3. Please provide the following information about the **Applicant's** wire transfer services:
 - a. Number of Customers _____
 - b. Average Daily Volume \$ _____
 - c. Typical Highest Dollar Amount \$ _____
 - d. Typical Average Dollar Amount \$ _____
4. Does the Wire Transfer Department maintain customer authorization records which list the individuals in a customer's firm who are approved for wire transfer along with the amounts authorized? YES NO
5. Does the Wire Transfer Department utilize tape recorded conversation verification procedures? YES NO
6. Does the Wire Transfer Department utilize second person call-back verification procedures? YES NO
7. Does the **Applicant** set internal wire transfer authorization levels? YES NO
8.
 - a. Name and title of person who has functional responsibility for receiving and resolving customer complaints: _____
 - b. Give number of complaints received in the past year: _____
 - c. How many were unresolved after sixty (60) days? _____

K. OTHER FINANCIAL SERVICE

1. Name of **Applicant**: _____

2. Year service established or purchased: _____

3. Please describe in detail the professional service for which coverage is desired:

4. List annual gross receipts and number of clients associated with the service described above:

Receipts _____ Clients _____

5. a. Number of employees engaged in providing the service described above:

b. Describe their professional qualifications:

6. Is this service rendered under a contract? YES NO

If yes:

a. are all contracts approved by counsel? YES NO

b. do all contracts provide indemnity and/or limitations to the **Applicant's** liability? YES NO

c. please provide a copy of a standard contract.

If no, please describe, on a separate sheet, how the **Applicant** protects itself from liabilities.

7. Please describe any internal auditing procedures with the service described above:

III. MATERIAL CHANGE:

If there is any material change in the answers to the questions in the Supplemental Application before the policy inception date, the **Applicant** must immediately notify the Company in writing, and any outstanding quotation may be modified or withdrawn.

IV. DECLARATIONS, FRAUD WARNINGS AND SIGNATURES:

The **Applicant's** submission of this Supplemental Application does not obligate the Company to issue, or the **Applicant** to purchase, a policy. The **Applicant** will be advised if the Application for coverage is accepted. The **Applicant** hereby authorizes the Company to make any inquiry in connection with this Supplemental Application.

THE UNDERSIGNED AUTHORIZED REPRESENTATIVES OF THE PERSON(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE DECLARE THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS MADE IN THIS SUPPLEMENTAL APPLICATION AND ANY ATTACHMENTS OR OTHER DOCUMENTS SUBMITTED WITH THIS APPLICATION ARE TRUE AND COMPLETE.

The undersigned agree that the Application, this Supplemental Application and the attachments and other documents to such Application and this Supplemental Application shall be the basis of the insurance policy should a policy providing the requested coverage be issued; that all such materials shall be deemed to be attached to and shall form a part of any such policy; and that the Company will have relied on all such materials in issuing any such policy.

The information provided in this Supplemental Application and any attachments is for underwriting purposes only and does not constitute notice to the Company under any policy of a Claim or potential Claim.

Notice to Arkansas, Minnesota, New Mexico and Ohio Applicants: 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, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

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 policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder 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 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 and Rhode Island 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, 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 may include imprisonment, fines or a denial of insurance benefits.

Notice to Maryland Applicants: Any person who knowingly [] willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly [] 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 Oklahoma Applicants: Any person who, knowingly and with intent to injure, defraud or deceive any employer or employee, insurance company, or self-insured program, files a statement of claim containing any false or misleading information is guilty of a felony.

Notice to Oregon and Texas Applicants: Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

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 Puerto Rico Applicants: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation with the penalty of a fine of not less than five thousand (5,000) dollars and not more than ten thousand (10,000) dollars, or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances are present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

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.

This Supplemental Application must be signed by the chief executive officer and chief financial officer of the **Applicant** acting as the authorized representatives of the person(s) and entity (ies) proposed for this insurance.

Date	Signature	Title
_____	_____	<u>Chief Executive Officer</u>
_____	_____	<u>Chief Financial Officer</u>

Information requested below is to be completed by Agent submitting Application

Produced By: Agent: _____	Agency: _____
Agency Taxpayer ID or SS No.: _____	Agent License No.: _____
Address: _____	
City: _____	State: _____ Zip: _____
Submitted By: Agency: _____	
Agency Taxpayer ID or SS No.: _____	Agent License No.: _____
Address: _____	
City: _____	State: _____ Zip: _____