

# Application

## EXECUTIVE LIABILITY AND ORGANIZATION REIMBURSEMENT INSURANCE

FL- 024 DOFIRST



**NOTICE:** THE POLICY PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE RETENTION AMOUNT. IF A POLICY IS ISSUED, IT WILL BE ON A CLAIMS-MADE BASIS AND IT WILL NOT PROVIDE COVERAGE TO THE ORGANIZATION FOR ITS OWN LIABILITY.

### I. APPLICANT AND CONTACT INFORMATION

NAMED APPLICANT: \_\_\_\_\_

STATE OF FORMATION: \_\_\_\_\_ DATE OF FORMATION: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_

PRIMARY WEB PAGE: \_\_\_\_\_ E-MAIL: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_ TITLE: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_ FACSIMILE: \_\_\_\_\_

**INSTRUCTIONS:** THE WORDS "YOU", "YOUR" AND "APPLICANT(S)" REFER TO THE NAMED APPLICANT AND ALL THE OTHER ENTITIES APPLYING FOR COVERAGE. OTHER TERMS APPEARING IN BOLD ARE USED WITH THE SAME RESPECTIVE MEANINGS AS THEY HAVE IN THE POLICY FORM. IF YOUR ANSWER TO ANY QUESTION IN THIS APPLICATION REQUIRES ADDITIONAL SPACE, PLEASE COMPLETE YOUR ANSWER ON AN ATTACHMENT. THIS APPLICATION AND ITS RESPECTIVE ATTACHMENTS AND ANY OTHER RELATED INFORMATION OR DOCUMENTATION YOU PROVIDE OR INDICATE IS AVAILABLE ON A WEBSITE WILL CONSTITUTE A SINGLE "APPLICATION."

### II BUSINESS INFORMATION

1. DESCRIBE YOUR BUSINESS ACTIVITIES AND ANY ANTICIPATED CHANGES TO SAME, AND LIST ALL APPLICABLE SIC CODES.

\_\_\_\_\_  
\_\_\_\_\_

2. APPLICANT HAS CONTINUALLY BEEN OPERATING SINCE: \_\_\_\_\_

3. TOTAL NUMBER OF LOCATIONS: \_\_\_\_\_

4. DOES THE APPLICANT OPERATE ANY RETAIL OUTLETS OR BRANCHES? YES [ ] NO [ ]

(IF "YES", TOTAL NUMBER OF RETAIL BRANCHES: \_\_\_\_\_)

### III INSURANCE INFORMATION

5. (A) LIMIT OF LIABILITY REQUESTED: \$ \_\_\_\_\_

(B) AMOUNT OF SELF-INSURED RETENTION REQUESTED (EACH LOSS):

SECURITIES CLAIMS: \$ \_\_\_\_\_

EMPLOYMENT PRACTICES CLAIMS: \$ \_\_\_\_\_

ALL OTHER CLAIMS: \$ \_\_\_\_\_

### IV STOCK OWNERSHIP

6. (A) ARE ANY SECURITIES OF THE APPLICANT PUBLICLY TRADED OR THE SUBJECT OF A SHELF REGISTRATION? YES [ ] NO [ ]

B) IF "YES" TO QUESTION 6(A), PLEASE ATTACH THE FOLLOWING INFORMATION FOR EACH ENTITY:

I. THE NAME OF THE ENTITY AND THE TYPE OF SECURITIES WHICH ARE PUBLICLY TRADED OR THE SUBJECT OF A SHELF REGISTRATION.

ENTITY	SECURITIES	"E" = EQUITY "D" = DEBT "M" = MIXED (ATTACH EXPLANATION)	TICKER	EXCHANGE

II. DESCRIBE THE SECURITIES WITH VOTING RIGHTS AND THE OWNERSHIP STRUCTURE.

ENTITY	VOTING SHARES			
	SHARES OUTSTANDING	NUMBER OF VOTING SHAREHOLDERS	OWNED BY MEMBERS OF ITS BOARD OF DIRECTORS OR EQUIVALENT BODY (DIRECT OR BENEFICIAL)	OWNED BY EXECUTIVES (DIRECT OR BENEFICIAL) OTHER THAN THOSE REPORTED IN THE PREVIOUS COLUMN

III. DOES ANY SHAREHOLDER OWN FIVE PERCENT (5%) OR MORE OF THE VOTING SHARES OF SUCH ENTITIES DIRECTLY OR BENEFICIALLY?  
 YES [ ] NO [ ] IF "YES", ATTACH NAME AND PERCENTAGE OF HOLDINGS.

IV. ARE THERE ANY OTHER SECURITIES CONVERTIBLE TO VOTING STOCK? YES [ ] NO [ ]

C) FOR THOSE ENTITIES PROPOSED FOR INSURANCE WHOSE SECURITIES ARE NOT PUBLICLY TRADED OR SUBJECT OF A SHELF REGISTRATION, PLEASE ATTACH THE FOLLOWING INFORMATION FOR EACH ENTITY:

I. DESCRIBE THE SECURITIES WITH VOTING RIGHTS AND THE OWNERSHIP STRUCTURE.

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ENTITY	VOTING SHARES			
	SHARES OUTSTANDING	NUMBER OF VOTING SHAREHOLDERS	OWNED BY MEMBERS OF ITS BOARD OF DIRECTORS OR EQUIVALENT BODY (DIRECT OR BENEFICIAL)	OWNED BY EXECUTIVES (DIRECT OR BENEFICIAL) OTHER THAN THOSE REPORTED IN THE PREVIOUS COLUMN

II. DOES ANY SHAREHOLDER OWN FIVE PERCENT (5%) OR MORE OF THE VOTING SHARES OF SUCH ENTITIES DIRECTLY OR BENEFICIALLY?  
 YES [ ] NO [ ] IF "YES", ATTACH NAME AND PERCENTAGE OF HOLDINGS.

V GENERAL INFORMATION

7. (A) PLEASE PROVIDE A COMPLETE LIST OF ALL EXECUTIVES WHO ARE MEMBERS OF THE BOARD OF DIRECTORS (OR EQUIVALENT GOVERNING BODY) OF THE APPLICANT BY NAME AND AFFILIATION WITH OTHER ORGANIZATIONS.

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(If included as an attachment herein, check here [ ].)



**VII INSURANCE HISTORY**

15. CURRENT INSURANCE (IF NONE CURRENTLY, LIST MOST RECENT) FOR THE APPLICANT. IF INCLUDED AS AN ATTACHMENT, CHECK HERE [ ]

	DIRECTORS AND OFFICERS (EXECUTIVE) LIABILITY INSURANCE
A. NAME OF INSURANCE CO.	
B. LIMIT OF LIABILITY	
C. SELF-INSURED RETENTION	
D. POLICY EXPIRATION DATE	
E. PRE-SET ALLOCATION OR COINSURANCE	
F. PREMIUM (INDICATE ONE YEAR OR MORE)	

16. HAS ANY INSURANCE CARRIER REFUSED, CANCELED OR NON-RENEWED ANY DIRECTORS AND OFFICERS LIABILITY OR EXECUTIVE LIABILITY INSURANCE COVERAGE? YES [ ] NO [ ]

If "Yes", attach full details including when and reason(s). (MISSOURI APPLICANTS NEED NOT REPLY.)

17. IS APPLICANT IN COMPLIANCE WITH THE RECOMMENDED MINIMUM CORPORATE GOVERNANCE GUIDELINES FOR DIRECTORS AND OFFICERS LIABILITY INSURANCE APPLICANTS SET FORTH IN APPENDIX I TO THIS APPLICATION? YES [ ] NO [ ]

If "No", attach full details describing such noncompliance.

**VIII ADDITIONAL INFORMATION**

18. NAME OF GENERAL COUNSEL, RISK MANAGER AND HUMAN RESOURCES MANAGER (OR EQUIVALENT POSITIONS) FOR THE NAMED APPLICANT, NUMBER OF YEARS IN CURRENT POSITION AND PHONE NUMBER:

NAME	YEARS	PHONE NUMBER
_____	_____	_____
_____	_____	_____
_____	_____	_____

19. PROVIDE COPIES OF THE FOLLOWING FOR THE APPLICANT. IF ATTACHED, PLEASE INDICATE BELOW. IF SUCH INFORMATION IS AVAILABLE ON THE ORGANIZATION'S WEBSITE, PLEASE INDICATE BELOW AND PROVIDE WEBSITE ADDRESS:

REQUESTED INFORMATION "ATTACHED" "WEBSITE"		
(A) LATEST ANNUAL REPORT.	[ ]	_____
(B) LATEST 10K REPORT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (SEC) (OR SIMILAR STATE OR FOREIGN AGENCY).	[ ]	_____
(C) LATEST INTERIM FINANCIAL STATEMENT AVAILABLE.	[ ]	_____
(D) ALL PROXY STATEMENTS NOTICES OF ANNUAL MEETING OF STOCKHOLDERS WITHIN THE LAST TWELVE MONTHS.	[ ]	_____
(E) ALL REGISTRATION STATEMENTS FILED WITH THE SEC (OR SIMILAR STATE OR FOREIGN AGENCY) WITHIN THE LAST TWELVE MONTHS.	[ ]	_____
(F) COPY (CERTIFIED BY ORGANIZATION'S SECRETARY) OF THE INDEMNIFICATION PROVISIONS OF THE CHARTER AND THE BY-LAWS. ALSO ATTACH A COPY OF ORGANIZATION'S INDEMNIFICATION AGREEMENT.	[ ]	_____
(G) ALL CERTIFICATIONS FILED BY ANY EXECUTIVE OF THE APPLICANT WITH THE SEC OR ANY EQUIVALENT FOREIGN, STATE OR LOCAL BODY, WHETHER OR NOT REQUIRED BY THE SARBANES-OXLEY ACT OF 2002 OR RULES PROMULGATED THEREUNDER.	[ ]	_____
(H) LATEST CPA MANAGEMENT LETTER ALONG WITH APPLICANT'S RESPONSES TO ANY RECOMMENDATIONS MADE THEREIN.	[ ]	_____

ALL INFORMATION PROVIDED IN RESPONSE TO QUESTION 19, WHETHER PHYSICALLY PROVIDED OR INDICATED AS AVAILABLE BY WEBSITE, SHALL BE DEEMED INCORPORATED IN THIS APPLICATION.

IT IS AGREED THAT THE APPLICANT WILL FILE WITH THE INSURER, AS SOON AS IT BECOMES AVAILABLE, A COPY OF EACH REGISTRATION STATEMENT AND ANNUAL OR INTERIM REPORT WHICH ANY APPLICANT MAY FROM TIME TO TIME FILE WITH THE SEC (OR SIMILAR STATE OR FOREIGN AGENCY).

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

SIGNING OF THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE INSURER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THIS APPLICATION SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IT WILL BE ATTACHED TO AND BECOME PART OF THE POLICY.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION, REGARDLESS OF WHETHER SUCH DOCUMENTS ARE ATTACHED TO THE POLICY, ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF.

NOTICE TO 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 ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO ARKANSAS AND NEW MEXICO APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF 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 AUTHORITIES.

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 IN 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 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 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 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 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: 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 (365:15-1-10,365:3613.1).

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 AND VIRGINIA 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.

SIGNED: \_\_\_\_\_ DATE: \_\_\_\_\_  
(Applicant)

TITLE: \_\_\_\_\_ ORGANIZATION: \_\_\_\_\_  
(must be signed by the Chief Executive Officer) (Organization's Seal)

ATTEST: \_\_\_\_\_

BROKER: \_\_\_\_\_

LICENSE NUMBER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PLEASE READ THE FOLLOWING STATEMENT CAREFULLY AND SIGN WHERE INDICATED. IF A POLICY IS ISSUED, THIS SIGNED STATEMENT WILL BE ATTACHED TO THE POLICY.

THE UNDERSIGNED AUTHORIZED EXECUTIVE OF THE APPLICANT HEREBY ACKNOWLEDGES THAT HE/SHE IS AWARE THAT THE LIMIT OF LIABILITY CONTAINED IN THIS POLICY SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED, BY THE COSTS OF LEGAL DEFENSE AND, IN SUCH EVENT, THE INSURER SHALL NOT BE LIABLE FOR THE COSTS OF LEGAL DEFENSE OR FOR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT TO THE EXTENT THAT SUCH EXCEEDS THE LIMIT OF LIABILITY OF THIS POLICY.

THE UNDERSIGNED AUTHORIZED EXECUTIVE OF THE APPLICANT HEREBY FURTHER ACKNOWLEDGES THAT HE/SHE IS AWARE THAT LEGAL DEFENSE COSTS THAT ARE INCURRED SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.

SIGNED: \_\_\_\_\_  
(Applicant)

DATE: \_\_\_\_\_

TITLE: \_\_\_\_\_  
(must be signed by the Chief Executive Officer)

**AIG Insurance Company-Puerto Rico**  
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