

FINANCIAL SERVICES LIABILITY POLICY APPLICATION

INVESTMENT ADVISERS PROFESSIONAL LIABILITY COVERAGE (E&O)

(Complete only if coverage is desired under the Investment Advisers Professional Liability Coverage Part of the Financial Services Liability Policy)

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1. Name of **Applicant**: _____
(Whenever used in this Application, the term "**Applicant**" shall mean the **Named Insured**.)

2. Principal Address: _____
City: _____ State: _____ Zip Code: _____

3. Date the **Applicant** commenced operations: _____

4. a) Is any person or entity proposed for this insurance engaged in any business other than as an investment adviser? Yes No
If "Yes," please explain by attachment to this Application

- b) Is there any other affiliated entity which is to be considered for coverage? Yes No
 - (i) Name and relationship of each such entity to the **Applicant**: _____

 - (ii) Describe the professional services provided by such entity for which coverage is desired: _____

5. Does the **Applicant** publish a newsletter or any other type of publication? Yes No
If "Yes":
 - a) What is the title of each such publication? _____
 - b) Do the subscribers of the publication(s) pay a subscription fee? Yes No

6. a) Total asset value of all accounts managed by the **Applicant**: \$ _____

- b) Asset value of the **Applicant's** largest account: \$ _____

- c) Annual fees collected for the **Applicant's** investment advisory services: \$ _____

- d) All other annual income of the **Applicant**: \$ _____
Describe all sources of other income: _____

- e) Number of accounts lost during the last twelve (12) months: _____

- f) Total asset value of lost accounts: \$ _____

- g) Reasons for loss of accounts: _____

- h) Does the **Applicant** act as an investment adviser or provide additional services to multi-employer (Taft Hartley), union or governmental employee benefit plans: Yes No

If "Yes," what is the asset value and number of all such accounts? \$ _____

- i) Please provide the following information with respect to any specialty securities recommended or invested in by the **Applicant** on behalf of its clients:

	Yes	No	Percentage of Assets Managed
Derivatives:	<input type="checkbox"/>	<input type="checkbox"/>	%
Foreign securities:	<input type="checkbox"/>	<input type="checkbox"/>	%
Below investment grade securities (BBB or lower):	<input type="checkbox"/>	<input type="checkbox"/>	%
Real Estate Investment Trusts (REITs):	<input type="checkbox"/>	<input type="checkbox"/>	%
General or limited partnerships:	<input type="checkbox"/>	<input type="checkbox"/>	%
Mortgages, mortgage pools, or other mortgage-backed securities:	<input type="checkbox"/>	<input type="checkbox"/>	%
Commodity or other futures:	<input type="checkbox"/>	<input type="checkbox"/>	%
Precious metals:	<input type="checkbox"/>	<input type="checkbox"/>	%
Oil/gas leases or investments:	<input type="checkbox"/>	<input type="checkbox"/>	%
Real estate:	<input type="checkbox"/>	<input type="checkbox"/>	%
Precious metals:	<input type="checkbox"/>	<input type="checkbox"/>	%
Guaranteed investment contracts:	<input type="checkbox"/>	<input type="checkbox"/>	%

7. Are any client transactions executed by an "in-house" broker-dealer? Yes No
8. a) Does the **Applicant** use a written service agreement with each client? Yes No
- b) If "Yes," does the **Applicant** have written procedures to ensure compliance with the written service agreement? Yes No
9. a) Please provide the following information with respect to the **Applicant's** two (2) most recent regulatory examination(s):

Name of Regulatory Authority	Date	On-Site or Off-Site?

- b) Have all recommendations or criticisms of each regulatory examination described above been complied with? Yes No
If "No," please explain by attachment to this Application.
10. Has any person(s) or entity(ies) proposed for this insurance been a party to any civil, criminal, disciplinary action or administrative proceeding alleging or investigating a violation of any federal or state security law or regulation? Yes No
If "Yes," please explain by attachment to this Application.
11. a) Have any claims such as would fall within the scope of the proposed insurance been made against any person(s) or entity(ies) proposed for this insurance? (If "Yes," please explain by attachment to this Application.) Yes No
- b) Is any person(s) or entity(ies) proposed for this insurance aware of any fact, circumstance or situation which might afford valid grounds for any claim such as would fall within the scope of the proposed insurance? (If "Yes," please explain by attachment to this Application.) Yes No

Without prejudice to any other rights and remedies of the Insurer, any Claim arising from any claims, facts, circumstances or situations required to be disclosed in response to 11.a) or 11.b) above is excluded from the proposed insurance.

12. As part of this Application, please submit the following documents with respect to the **Applicant**:
- a) Most recent complete ADV report Parts I and II (as filed with the SEC).
- b) Latest audited financial statements with any notes and schedules.
- c) Latest audited annual financial statements for each mutual fund or partnership for which the **Applicant** acts as the investment adviser.

- d) Summary and status of any litigation filed within the last twelve (12) months against any person(s) or entity(ies) proposed for this insurance (including any litigation that has been resolved).

FOR THE PURPOSE OF THIS APPLICATION, THE UNDERSIGNED AUTHORIZED AGENT OF THE PERSON(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE DECLARES THAT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS HEREIN ARE TRUE AND COMPLETE. THE INSURER IS AUTHORIZED TO MAKE ANY INQUIRY IN CONNECTION WITH THIS APPLICATION. SIGNING THIS APPLICATION DOES NOT BIND THE INSURER TO COMPLETE THE INSURANCE.

THE UNDERSIGNED DECLARES THAT THE PERSON(S) AND ENTITY(IES) PROPOSED FOR THIS INSURANCE UNDERSTAND:

- (A) **THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED BY THE PAYMENT OF "DEFENSE EXPENSES," AND IN SUCH EVENT, THE INSURER WILL NOT BE RESPONSIBLE FOR ANY ONGOING DEFENSE EXPENSES OR FOR THE AMOUNT OF ANY JUDGEMENT OR SETTLEMENT TO THE EXTENT THAT ANY OF THE FOREGOING EXCEED ANY APPLICABLE LIMIT OF LIABILITY;**
- (B) **"DEFENSE EXPENSES" WILL BE APPLIED AGAINST THE RETENTION;**
- (C) **THIS POLICY APPLIES ONLY TO "CLAIMS" FIRST MADE OR DEEMED MADE DURING THE "POLICY PERIOD," OR, IF PURCHASED, ANY EXTENDED REPORTING PERIOD;**

IF THE INFORMATION IN THIS APPLICATION MATERIALLY CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE POLICY EFFECTIVE DATE, THE APPLICANT WILL NOTIFY THE INSURER WHO MAY MODIFY OR WITHDRAW ANY QUOTATION.

THE INFORMATION CONTAINED AND SUBMITTED WITH THIS APPLICATION IS ON FILE WITH THE INSURER AND, ALONG WITH THIS APPLICATION, IS CONSIDERED TO BE PHYSICALLY ATTACHED TO THE POLICY AND WILL BECOME PART OF THE POLICY IF ISSUED.

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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 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.

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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 Hawaii Applicants: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

Notice to Kentucky Applicants: Any person who knowingly and with intent to defraud any insurance company or other person files a statement of claim containing materially false information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

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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 is subject to a civil penalty not to exceed \$5,000.00 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 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 to defraud includes false information in an application for insurance or file, assist or abet in the filing of a fraudulent claim to obtain payment of a loss or other benefit, or files more than one claim for the same loss or damage, commits a felony and if found guilty shall be punished for each violation with a fine of no less than five thousands dollars (\$5,000), not to exceed ten thousands dollars (\$10,000); or imprisoned for a fixed term of three (3) years, or both. If aggravating circumstances exist, the fixed jail term may be increased to a maximum of five (5) years; and if mitigating circumstances are present, the jail term may be reduced to a minimum of two (2) years.

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.

APPLICANT		
BY (<i>President and/or CEO Signature</i>)	TITLE	DATE

NOTE: This Application must be signed by the President and/or CEO of the **Applicant** acting as the authorized agent of the persons and entity(ies) proposed for this insurance.

PRODUCER (Insurance Agent or Broker)	INSURANCE AGENCY OR BROKERAGE
INSURANCE AGENCY TAXPAYER I.D. OR SOCIAL SECURITY NO.	AGENT OR BROKER LICENSE NO.
ADDRESS OF AGENT OR BROKER (Include Street, City and Zip Code)	
E-MAIL ADDRESS OF AGENT OR BROKER	

SUBMITTED BY (Insurance Agency)	INSURANCE AGENCY TAXPAYER I.D. OR SOCIAL SECURITY NO.
ADDRESS OF AGENT OR BROKER (Include Street, City and Zip Code)	

FINANCIAL SERVICES LIABILITY POLICY APPLICATION

INVESTMENT ADVISERS MANAGEMENT LIABILITY COVERAGE (D&O)

(Complete only if coverage is desired under the Investment Advisers Management Liability Coverage Part of the Financial Services Liability Policy)

NOTICE: THE POLICY FOR WHICH THIS SUPPLEMENTAL APPLICATION IS MADE APPLIES, SUBJECT TO ITS TERMS, ONLY TO "CLAIMS" FIRST MADE DURING THE POLICY PERIOD. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED BY "DEFENSE EXPENSES," AND "DEFENSE EXPENSES" WILL BE APPLIED AGAINST THE RETENTION. THE ENTIRE APPLICATION SHOULD BE CAREFULLY READ BEFORE IT IS EXECUTED.

1. Name of **Applicant**: _____
 (Whenever used in this Application, the term "**Applicant**" shall mean the **Named Insured**.)

2. Principal Address: _____
 City: _____ State: _____ Zip Code: _____

3. OWNERSHIP INFORMATION

a) Total number of the **Applicant's** voting shareholders: _____

b) Percentage of voting shares outstanding owned by the **Applicant's** Directors, Officers or Managing Members: _____

c) Other than the **Applicant's** Directors, Officers, or Managing Members, shareholders owning more than 10% of the voting shares outstanding:

Shareholder	Percentage Owned

4. Has the **Applicant** or any Subsidiary in the past thirty-six (36) months completed or agreed to, or does it contemplate within the next twelve (12) months, any of the following, whether or not such transaction was or will be completed? If "Yes," please describe the significant provisions of the transaction(s) by attachment to this Application.

a) Sale, distribution or divestiture of any assets or stock in an amount exceeding 35% of the **Applicant's** consolidated assets? Yes No

b) Any registration for a public or private placement of securities? Yes No

c) Merger, acquisition or consolidation with another entity whose consolidated assets exceed 35% of the **Applicant's** consolidated assets? Yes No

d) Reorganization or arrangement with creditors under federal or state law? Yes No

5. Have there been any changes in the Applicant's Board of Directors or Senior Management within the past twelve (12) months? (If "Yes," please explain by attachment to this Application.) Yes No

6. a) Have any claims such as would fall within the scope of the proposed insurance been made against any person(s) or entity(ies) proposed for this insurance? (If "Yes," please explain by attachment to this Application.) Yes No

b) Is any person(s) or entity(ies) proposed for this insurance aware of any fact, circumstance or situation which might afford valid grounds for any claim such as would fall within the scope of the proposed insurance? (If "Yes," please explain by attachment to this Application.) Yes No

Without prejudice to any other rights and remedies of the Insurer, any Claim arising from any claims, facts, circumstances or situations required to be disclosed in response to 6.a) or 6.b) above is excluded from the proposed insurance.

7. As part of this Application, please submit the following documents with respect to the **Applicant**:
- a) Audited financial statements with any notes and schedules.
 - b) Summary and status of any litigation filed within the last twelve (12) months against any person(s) or entity(ies) proposed for this insurance (including any litigation that has been resolved).

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APPLICANT		
BY (<i>President and/or CEO Signature</i>)	TITLE	DATE

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INSURANCE AGENCY TAXPAYER I.D. OR SOCIAL SECURITY NO.	AGENT OR BROKER LICENSE NO.
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SUBMITTED BY (Insurance Agency)	INSURANCE AGENCY TAXPAYER I.D. OR SOCIAL SECURITY NO.
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BY (<i>President and/or CEO Signature</i>)	TITLE	DATE

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