



**GENERAL INFORMATION
(ALL APPLICANTS MUST COMPLETE THIS SECTION.)**

**BY COMPLETING THIS APPLICATION YOU ARE APPLYING FOR COVERAGE IN
FEDERAL INSURANCE COMPANY, INC.**

NOTICE: THE LIABILITY COVERAGE SECTIONS OF THIS POLICY (WHICHEVER ARE PURCHASED) PROVIDE CLAIMS MADE COVERAGE, WHICH APPLIES ONLY TO “CLAIMS” FIRST MADE DURING THE “POLICY PERIOD”, OR ANY EXTENDED REPORTING PERIOD. THE LIMIT OF LIABILITY TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED, UNLESS OTHERWISE PROVIDED HEREIN, BY “DEFENSE COSTS”, AND “DEFENSE COSTS” WILL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT. THE COVERAGE AFFORDED UNDER THIS POLICY DIFFERS IN SOME RESPECTS FROM THAT AFFORDED UNDER OTHER POLICIES. PLEASE READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.

Application Instructions

- Whenever used in this Application, the term “**Applicant**” shall mean the Parent Corporation and all of its subsidiaries, unless stated to the contrary herein.
- **Applicants** are required to complete Application Sections 1 and 10.
- Complete those other Application Sections applicable to the Coverage Sections for which the **Applicant** is applying.
- Include all requested underwriting information and attachments.

A. REQUESTED COVERAGE

The **Applicant** has completed Sections 1 and 10 of this Application and the corresponding Application Sections for the Coverage Section(s) requested below:

Yes/ No	Coverage Section	Application Section	Requested Limit	Requested Deductible	Requested Effective Date
	Directors & Officers Liability	2			
	Employment Practices Liability	3			
	Fiduciary Liability	4			
	Miscellaneous Professional Liability	5			
	Internet Liability	6			
	Crime Non-Liability	7			
	Kidnap/Ransom and Extortion	8			



B. CONTACT INFORMATION

1. Name of **Applicant**: _____
2. Address: _____
3. City: _____ State: _____ Zip Code: _____
4. State of incorporation: _____ Date established: _____
5. Website address: _____
6. Executive officer authorized to receive notices and information regarding the proposed policy:
Name: _____ Title: _____
Address (if different than above): _____

Contact's e-mail address: _____

C. NATURE OF BUSINESS

1. Nature of the **Applicant's** business: _____

2. Description of the **Applicant**:
 Privately held Limited Liability Corporation (LLC) Sole Proprietorship Partnership
 Co-op Non-profit Publicly traded (Ticker Symbol _____)* Other
 If this **Applicant** is not privately held, the **Applicant** may be ineligible for ForeFront PortfolioSM.

D. TRANSACTIONAL INFORMATION

1. In the next 12 months or during the past 18 months is the **Applicant** contemplating or has the Applicant completed or been in the process of completing:

(a) Any actual or proposed merger, acquisition or divestment?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
(b) Any registration for a public offering or a private placement of securities?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
(c) Any layoffs, staff reductions or facility closings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
(d) Any change in outside auditors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No



If the **Applicant** answered "Yes" to any of the above, please explain.

E. FINANCIAL INFORMATION

1. Was the most recent: (Check One) audit, review or compilation of the **Applicant's** most recent financial statements complete and unqualified? If "No", please attach an explanation. Yes No

Name of the Independent CPA performing such audit, review or compilation:

2. In the last 24 months, did an Independent CPA render an "ongoing concern" opinion? Yes No

F. CURRENT/PRIOR INSURANCE COVERAGE INFORMATION

1. Please complete the following information:

Coverage	Y/N	Limit	Retention	Coverage Trigger Date*	Premium	Insurer	Policy Period
D&O Liability							
Entity Liability							
Employment Practice Liability							
Third Party Liability							
Fiduciary Liability							
Miscellaneous Professional Liability							
Internet Liability							
General Liability							

*Coverage Trigger Date means the "prior & pending litigation date", the "prior acts date" or "retroactive date" shown on the current policy declarations page (if applicable).

MISSOURI APPLICANTS/AGENTS: DO NOT ANSWER QUESTIONS 2 AND 3.

2. Has the **Applicant** been declined, canceled or nonrenewed for any of the liability insurance mentioned above? If "Yes", please attach an explanation. Yes No
3. Has the insurer under any other coverages listed above indicated an intent not to offer renewal terms to the **Applicant**? Yes No
4. Has the **Applicant** given notice of any claim, circumstance or potential claim to any insurer under any of the coverages above? Yes No



If "Yes", attach a full explanation of the claim, circumstance or potential claim.

G. PRIOR ACTIVITY INFORMATION

1. Has the **Applicant** or any person proposed for coverage herein been the subject of, or involved in, any of the following in the past five years?

	<u>Organizations</u>	<u>Persons</u>
(a) Anti-trust, copyright or patent litigation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(b) Accusations, findings of guilt or liability for a breach of the Employee Retirement Income Security Act of 1974 (ERISA) or any similar law?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(c) Civil, criminal or administrative proceeding alleging violation of any federal or state securities law?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(d) Any other criminal actions?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(e) Any discriminatory practice violation or litigation?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(f) Any disciplinary action by any regulatory agency or association?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
(g) Any action where a license was revoked or suspended?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

If "Yes" to any of the above details, attach a full description of the details.

NOTICE

Please attach the following additional required underwriting information:

- The most recent audited, reviewed or compiled financial statements, whichever are available.
- If the **Applicant's** reply to any question in this Application requires additional space, attach additional pages to the applicable Application Section.

Providing information about a claim or potential claim in response to any question in any Section of this Application does not create coverage for such claim or potential claim.



CRIME COVERAGE SECTION

(APPLICANTS: Please complete this Section only if requesting this coverage.)

A. GENERAL INFORMATION

1. Name of **Applicant**:

B. OPTIONAL COVERAGES REQUESTED

1. Please choose which insuring clauses, Limits of Liability and deductible amounts, the **Applicant** desires:

		Insuring Clauses	Limit of Liability	Deductible Amount		
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Employee Theft: Insuring Clause A	\$ _____	\$ _____
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Premises: Insuring Clause B	\$ _____	\$ _____
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	In Transit: Insuring Clause C	\$ _____	\$ _____
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Forgery: Insuring Clause D	\$ _____	\$ _____
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Computer Fraud: Insuring Clause E	\$ _____	\$ _____
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Funds Transfer Fraud: Insuring Clause F	\$ _____	\$ _____
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Money Order and Counterfeit Currency Fraud: Insuring Clause G	\$ _____	\$ _____
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Credit Card Fraud: Insuring Clause H	\$ _____	\$ _____
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Client Coverage: Insuring Clause I	\$ _____	\$ _____
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	Expense Coverage sublimit: Insuring Clause J	\$ _____	

2. Please select the coverage approach(es) for which the **Applicant** desires a proposal(s):

- (a) Loss Sustained Yes No
- (b) Loss Discovered Yes No



C. RISK PROFILE

1. Please complete the following information regarding the **Applicant's** risk profile:

Country Name	Number of locations	Number of employees	Revenues
U.S. & Canada			
TOTAL:			

2. Does the **Applicant** participate in any joint ventures? Yes No
If "Yes", please include the following information.

Receipt of this information by the Company does not constitute an agreement that coverage will be afforded to the joint venture(s) identified.

Name of joint venture(s): _____

Country of domicile: _____ Date established: _____

Percent of ownership by **Applicant**: _____ %

Nature of business: _____

Role of the **Applicant** in the joint venture, including status as the General Partner or Managing Partner:

D. AUDIT PROCEDURES AND INTERNAL CONTROLS

1. Does an Independent CPA provide a Management Letter to the **Applicant**? Yes No
If "Yes," please attach the most recent copy and management's response to the letter.

2. Do the **Applicant's** external audits include all of its locations? Yes No
If "No", please explain. _____

Does the **Applicant**:

3. Perform pre-employment reference checks for all its potential employees? Yes No
Please explain:



- 4. Allow the employees who reconcile the monthly bank statements to also either:
 - (a) sign checks? Yes No
 - (b) handle deposits? Yes No
 - (c) have access to check signing machines or signature plates? Yes No
- 5. Strictly comply with dual recorded authorization for all outgoing wire transfers? Yes No

E. VENDOR MANAGEMENT CONTROLS

Does the **Applicant**:

- 1. Maintain a master list of authorized vendors? Yes No
- 2. Have a procedure in place to verify the existence and ownership of new vendors prior to adding them to the authorized master vendor list? Yes No
- 3. Allow the same individual who verifies the existence of vendors to also have the authority to edit the authorized master vendor list? Yes No
- 4. Verify invoices against a corresponding purchase order, receiving report and the authorized master vendor list prior to issuing payment? Yes No

F. INVENTORY INFORMATION

- 1. Does the **Applicant** conduct perpetual inventory of stock, including raw materials/manufactured or purchased finished goods/scrap maintained? Yes No
- 2. How often does the **Applicant** perform a physical inventory count and reconcile this count against the perpetual record? Who performs these reconciliations?

- 3. Does the **Applicant** use precious metal or stone in the manufacturing or processing of goods (such as gold, silver, platinum, diamonds or similar high-value materials)? Yes No
If "Yes", please explain: _____

G. MONEY AND SECURITY CONTROLS

- 1. State the value of negotiable securities owned or held by the **Applicant**. (If none, so state): _____

- 2. Where does the **Applicant** keep its securities? _____
- 3. If the **Applicant** uses safe deposit boxes, has the bank been instructed to require that two individuals be present before entry to any box is permitted? Yes No
- 4. What is the maximum amount held at or transported from any one location:
 - a) Money \$ _____
 - b) Checks \$ _____
 - c) Negotiable securities \$ _____



H. COMPUTER CONTROLS

Does the **Applicant**:

- 1. Maintain pre-authorization controls for all programmers and operators? Yes No
- 2. Separate the duties of programmers and operators? Yes No
- 3. Reconcile the output by persons who do not prepare or process the input? Yes No
- 4. Include in its audit practices "tests" to detect unauthorized programming changes? Yes No
- 5. Utilize encryption when sensitive data is transmitted across outside lines? Yes No

I. CLIENT SERVICES

(APPLICANTS: Please complete this section only if requesting this coverage.)

- 1. Please describe the services the **Applicant** provides for clients:

- 2. Do any of the **Applicant's** clients require the **Applicant** to carry crime insurance or to be bonded? Yes No
If "Yes", please explain and specify amount: _____
- 3. Does the **Applicant** have custody or control over any of the funds, accounts or materials in process of any of its clients? Yes No
- 4. Do the **Applicant's** employees have access to any client(s) accounting, payroll or purchasing systems? Yes No
- 5. What percentage of the **Applicant's** employees perform services at the premises of one or more clients? _____%

K. LOSS EXPERIENCE

- 1. List all employee theft, burglary, robbery, forgery or other crime losses discovered by the **Applicant** in the last 3 years which would have been covered under the policy for which this **Application** is made, itemizing each loss separately:
Check if none:

Date of loss	Description of loss	Total amount of loss	Please indicate whether or not the loss was covered under another insurance policy and include the carrier's name



GENERAL SUMMARY SECTION

(ALL APPLICANTS MUST COMPLETE THIS SECTION.)

A. PRIOR INSURANCE AND CONTINUITY WITH PRIOR COVERAGE
(APPLICANTS: Please complete this section only if requesting any of the applicable liability coverage section(s))

1. Please complete the following information about the **Applicant's** current insurance. If the **Applicant** checks "Yes" to any of the below coverages and is requesting continuity of coverage in the policy for which this Application is made, please complete the continuity date requested in the last column below. If continuity of coverage is requested, attach a copy of all prior applications with any prior insurers from which continuity of coverage is sought to be maintained. The Company will rely upon the declarations and statements contained in such prior application(s) and the **Applicant** understands and agrees that those declarations and statements shall be considered to be incorporated in and form part of any policy issued by the Company based on this Application.

Coverage Type	Yes	No	Insurer	Limits	Policy Period	Continuity Date
D&O Liability Insurance						
Corporate Liability Insurance (Private Company)						
Employment Practices Liability Insurance						
Third Party Liability Insurance						
Fiduciary Liability Insurance						
Miscellaneous Professional Liability Insurance						
Internet Liability Insurance						

2. Has the **Applicant** given written notice under the provisions of the policies listed above or any prior policies providing similar insurance of claims, or of specific facts or circumstances which might give rise to a claim being made against any person or entity proposed for this insurance?
If "Yes", provide details. Yes No



B. PRIOR KNOWLEDGE

(APPLICANTS: Please complete this section only if requesting any of the applicable liability coverage section(s))

If the **Applicant** said “No” in Section (A) question (1) above for any of the coverage types for which this Application is made, or if the **Applicant** requests limits of liability for any coverage types for which this Application is made that are larger than the limit(s) set forth in Section (A) question (1), the **Applicant** must complete the following statement, which applies to: (i) those coverage types for which no coverage is currently maintained; and (ii) such larger limits of liability.

It is important that the Applicant fill in the blank in this paragraph. No person proposed for coverage is aware of any facts or circumstances which he or she has reason to suppose might give rise to a future claim that would fall within the scope of any of the proposed coverages for which the **Applicant** does not currently maintain insurance, or within such larger limits of liability, except: None or

The **Applicant** understands and agrees that if any such facts or circumstances exist, whether or not disclosed, any claim or action arising from them is excluded under any policy issued by the **Company**.

C. IMPORTANT INFORMATION

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

D. FALSE INFORMATION

Notice to Arkansas, Minnesota 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 or deceptive statement is guilty of insurance fraud, which is a crime.

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, Maine 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 may include imprisonment, fines, or a denial of insurance benefits.

Notice to Florida 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 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 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 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 Maryland 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 or deceptive statement may be guilty of insurance fraud.

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 Oklahoma Applicants: Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of any insurance policy containing any false incomplete 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.

E. MATERIAL CHANGE

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



F. DECLARATION AND SIGNATURE

The undersigned authorized agent of the person(s) and entity(ies) proposed for this insurance declares that such person(s) and entity(ies) understand that the Liability Coverage Sections of such insurance:

- (1) apply only to "Claims" first made or deemed made during the "Policy Period" or any Extended Reporting Period;
- (2) unless otherwise stated in any Coverage Section, provide that "Defense Costs" will reduce and may exhaust the applicable Limit(s) of Liability and the Company has no responsibility for that part of "Defense Costs" or damages that exceeds such Limit(s) of Liability; and
- (3) provide that "Defense Costs" will be applied against any applicable deductible amount.

For the purposes of this Application, the undersigned authorized agent of the person(s) and entity(ies) proposed for this insurance declares that to the best of his or her knowledge and belief, after reasonable inquiry, the statements set forth herein and in any attachments hereto or information submitted with this Application are true and complete. The signing of this Application does not bind the **Applicant** to effect insurance. The undersigned agrees that this Application and its attachments shall be the basis of the contract should a **ForeFront PortfolioSM** or any other policy providing one or more of the requested coverages be issued and shall be deemed to be attached to and shall form a part of any such policy. The Company will have relied upon this Application in issuing any policy.

This Application must be signed by the Chairman of the Board or President, acting as the authorized representative of the person(s) and entity(ies) proposed for this insurance.

Date	Signature	Title

Produced By:

Agent: _____ Agency: _____

Agency Taxpayer ID or SS No.: _____ Agent License No.: _____

Address (Street, City, State, Zip): _____

Submitted By:

Agency: _____

Taxpayer ID or SS No.: _____ Agent License No.: _____

Address (Street, City, State, Zip): _____