



INTERNATIONAL PROGRAM MANAGERS, LTD.

**PRIVATUSSM
INCLUDING DIRECTORS, OFFICERS AND CORPORATE LIABILITY,
EMPLOYMENT PRACTICES LIABILITY, FIDUCIARY LIABILITY AND
OUTSIDE EXECUTIVE LIABILITY INSURANCE**

NOTICE: THE POLICY FOR WHICH THIS APPLICATION IS SUBMITTED IS WRITTEN ON A CLAIMS MADE AND REPORTED BASIS AND COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD, EXTENDED REPORTING PERIOD OR RUNOFF PERIOD, IF APPLICABLE, AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS THEREIN. THE AMOUNT AVAILABLE TO PAY DEFENSE COSTS IS SUBJECT TO A MAXIMUM AGGREGATE LIMIT OF LIABILITY AND SUBJECT TO A RETENTION AMOUNT. PLEASE READ THE POLICY CAREFULLY.

Please fully answer all questions and submit all requested information. Terms appearing in bold face in this Application are defined in the Policy and have the same meaning in this Application as in the Policy. If you do not have a copy of the Policy, please request it from your agent or broker. This Application, including all materials submitted herewith, shall be held in confidence.

1. GENERAL INFORMATION

- (a) Applicant Name: _____
(Whenever used in this Application, the term "Applicant" shall mean the **Parent Company**, unless otherwise indicated)
- (b) Address: _____

- (c) State of Incorporation: _____
- (d) Date Established: _____
- (e) Nature of Business: _____
- (f) Applicant's website address (if applicable): _____
- (g) Name of Applicant's designated representative to receive all notices from the Insurer on behalf of all person(s) and entity(ies) proposed for this insurance: _____
- (h) Federal Employer Identification Number (FEIN): _____
- (i) Form of business organization: Corporation _____ Partnership _____ Limited Liability Corporation _____
Other (specify) _____

2. COVERAGE REQUESTED

- (a) Section I. Insuring Agreements: [Check all coverage sections for which insurance is desired. Minimum of two coverage sections required, one of which must be Employment Practices Liability]
 - (i) Section I. Insuring Agreement (A): Directors, Officers and Corporate Liability Insurance _____
 - (ii) Section I. Insuring Agreement (B): Employment Practices Liability Insurance _____
 - (iii) Section I. Insuring Agreement (C): Fiduciary Liability Insurance _____
 - (iv) Section I. Insuring Agreement (D): Outside Executive Liability Insurance _____



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(b) Limit Requested: (i) Separate limits of liability applicable to **Defense Costs** and **Indemnity Amounts**:

Defense Costs \$ _____

Indemnity Amounts \$ _____

(ii) Combined single aggregate limit of liability applicable to both Defense Costs
and **Indemnity Amounts**: \$ _____

(c) Retention Requested: _____

3. POLICY PERIOD REQUESTED

From _____ to _____ both days at 12:01 a.m. at the principal address of the Applicant.

4. PRIOR EXPERIENCE

- (a) No person(s) or entity(ies) proposed for this insurance is cognizant of any fact, circumstance, situation, act, error, omission, or situation which he/she has reason to suppose might afford grounds for any **Claim** such as would fall within the scope of the proposed insurance. If there are any exceptions, attach complete details. If none, check here _____.
- (b) No **Claims** have been made against any person(s) or entity(ies) proposed for this insurance (including loss payment and **Defense Costs**). If there are any exceptions, please attach complete details. If none, check here _____.
- (c) No person(s) or entity(ies) proposed for this insurance is cognizant of any inquiry, investigation or communication which he/she/it has reason to suppose might give rise to a **Claim** such as would fall within the scope of the proposed insurance. If there are any exceptions, please attach complete details. If none, check here _____.

It is agreed that if such knowledge exists, any **Claim** arising therefrom is excluded from the proposed insurance.

5. PRIOR INSURANCE.

Coverage Type	Yes	No	Insurer	Limits	Retention	Policy Period
Directors, Officers and Corporate Liability	<input type="checkbox"/>	<input type="checkbox"/>				
Employment Practices Liability	<input type="checkbox"/>	<input type="checkbox"/>				
Fiduciary Liability	<input type="checkbox"/>	<input type="checkbox"/>				
Outside Executive Liability	<input type="checkbox"/>	<input type="checkbox"/>				

- (a) Have any of the **Policyholder's** prior carriers indicated an intent not to offer renewal terms? _____ Yes
_____ No. If Yes, attach details.
- (b) Has the **Policyholder** or any **Insured Individual** given written notice under the provisions of any prior or current insurance policy of specific facts or circumstances which might give rise to a **Claim** being made against any **Insured** for any proposed insurance hereunder? ____ Yes ____ No. If yes, attach details.
- (c) Have any **Loss** payments been made on behalf of the proposed **Policyholder** or any **Insured Individual** under any insurance policy or similar insurance for any proposed insurance hereunder? ____ Yes ____ No. If yes, attach details.



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6. Section I. Insuring Agreement (B): Employment Practices Liability Insurance

- (a) Total Number of **Employees in Parent Company** and all **Subsidiaries** _____
 Total Number that are full-time _____ Total Union _____ Total Non-Union _____
 Total Number that are part-time _____ Total Union _____ Total Non-Union _____
- Total Number located in the United States _____
 Total Number located outside the United States _____
 Total Number located in the following states:
 California _____ Texas _____ Michigan _____
- (b) Is **Policyholder** requesting **Third Party Claim** coverage? _____ Yes _____ No
- (c) Is **Policyholder** requesting coverage for Independent Contractors? _____ Yes _____ No
 If Yes, attach complete details on the specific Independent Contractor and indemnification agreement by the **Policyholder**.
- (d) Is the Applicant currently undergoing or does the Applicant contemplate undergoing during the next 12 months any **Employee** layoffs or early retirements, including ones resulting from any type of company restructuring or office, plant or store closing? _____ Yes _____ No. If Yes, attach details.
- (e) EMPLOYMENT POLICIES AND PROCEDURES
- (i) Does the **Policyholder** use an outside employment legal counsel for employment advice and/or defense? _____ Yes _____ No. If Yes, attach details.
- (ii) Does the Applicant conduct testing for any of the following (check all that apply):
 Drug/alcohol screening _____ Physical examinations _____
 Psychological examinations _____ Skills testing _____
- Are the above tests and examinations done pre- or post- offer of employment? Attach details
- Are all **Employees** subject to these tests and examinations? _____ Yes _____ No. If No, Which **Employees** are not subject? _____
- (iii) Does the Applicant require employment terminations to be reviewed by (check all that apply):
 Human Resources _____
 Law Department _____
 Outside Legal Counsel _____
- (iv) Is the Applicant required to file an affirmative action plan with the Office of Federal Contract Compliance Programs (OFCCP)? _____ Yes _____ No. If Yes, attach copy of plan.
 Also, if Yes, has the Applicant ever been the subject of an OFCCP investigation which resulted in a finding of a violation? _____ Yes _____ No. If Yes, attach copy of the audit or investigation report and indicate what actions the Applicant has taken to remedy the violation.
- (v) Does the Applicant require mandatory arbitration of employment- related claims?
 _____ Yes _____ No. If No, does the Applicant have a program of voluntary arbitration?
 _____ Yes _____ No.



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(vi) Does the Applicant:

- distribute an employee handbook to all **Employees**? _____ Yes _____ No
- have a written Anti-harrassment and Anti-discrimination statement? _____ Yes _____ No
Is formal training provided to all staff regarding discrimination, including sexual harrassment? _____ Yes _____ No
- have a progressive disciplinary program? _____ Yes _____ No

(f) PAST ACTIVITES

Has any **Insured** been involved in any of the following:

- (a) Civil or criminal action or administrative proceeding charging violation of a federal, state or foreign employment law or regulation? ___ Yes ___ No
- (b) Any other criminal actions? ___ Yes ___ No
- (c) Representative actions, class actions or derivative suits in connection with employment issues? ___ Yes ___ No
- (d) Investigation by the Equal Employment Opportunity Commission (EEOC), or similar state or foreign agency? ___ Yes ___ No

(g) LOSS HISTORY

Please attach a list of all employment-related litigation and administrative proceedings (including both EEOC, state and local agency proceedings) commenced against any **Insured** during the past three (3) years. The list should include for each litigation or proceeding: (a) the type of allegation(s), (b) the court or agency involved, (c) description of any decision, determination or judgment rendered, (d) total **Defense Costs** incurred to date in the litigation or proceeding, (e) any judgment or settlement amount and (f) whether the litigation or proceeding remains pending or is closed.

Is any **Insured** presently subject to any judicial or administrative order, decree, judgment or conciliation agreement that is employment-related? ___ Yes ___ No.

If yes, please attach a copy(ies) of the appropriate document(s).

7. Please complete the attached Appendices for coverage consideration for Section I. Insuring Agreement A, C and D.

Appendix I: Section I. Insuring Agreement (A) and (D): Directors, Officers and Corporate Liability Insurance and Outside Executive Liability Insurance.

Complete only those Appendices for which coverage is requested.



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8. ADDITIONAL UNDERWRITING INFORMATION

As part of this Application, submit the following documents with respect to the **Policyholder**:

For all Section I. Insuring Agreement

- (a) Latest audited financial statement.
- (b) Complete list of the board of directors and their outside affiliations.

For Section I, Insuring Agreement B: Employment Practices Liability Insurance

- (a) Latest Employee Handbook and copies of any written sexual harassment, ADA, FMLA, termination procedures, severance, progressive discipline, discrimination and employment-at-will policies and procedures
- (b) Consolidated EEO-1 reports for the past three (3) years

For Section I. Insuring Agreement C: Fiduciary Liability Insurance

- (a) Latest CPA audited financials for each of the five largest pension **Plans** (in terms of total assets), with investment portfolios. If **Plan** assets are held in a master trust, submit the master trust investment portfolio. If audited financials are not available, submit the most recent 5500s for the **Plan**.
- (b) Latest CPA audited financials for any **Plan** designed to invest primarily in employer securities or which invests more than 10% of **Plan** assets in employer securities.
- (c) Written **Plan** description and latest financial statements, if applicable, for any non-qualified **Plans**.

The undersigned authorized officer of the Applicant declares that the statements set forth herein are true. The undersigned authorized officer 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 shall, 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 or authorizations or agreements to bind the insurance.

Signing of this Application does not bind the Applicant or the Insurer to complete the insurance contract, 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 (including any information provided in the attached Appendices) furnished to the Insurer in conjunction with this Application are hereby incorporated by reference into this Application and made a part hereof.

The undersigned authorized officer of the Applicant hereby acknowledges that this Policy applies to **Claims** first made or deemed made, during the **Policy Period**, Extended Reporting Period or Runoff Period, if purchased.

NOTICE TO ARKANSAS APPLICANTS: "ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT, OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON."

NOTICE TO COLORADO APPLICANTS: "IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE, AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES."

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: "WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT."



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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 KENTUCKY APPLICANTS: “ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.”

NOTICE TO MAINE APPLICANTS: “IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.”

NOTICE TO 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 CLAIMS 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 CLAIMS CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.”

NOTICE TO PENNSYLVANIA APPLICANTS: “ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE OR DEFRAUD ANY INSURER FILES AN APPLICATION OR CLAIM CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION SHALL, UPON CONVICTION, BE SUBJECT TO IMPRISONMENT FOR UP TO SEVEN YEARS AND PAYMENT OF A FINE OF UP TO \$15,000.”

NOTICE TO 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.”

_____ By Applicant

_____ Title (President, CEO or CFO)

_____ Date



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APPENDIX I

(Complete this section should coverage be requested for Section I. Insuring Agreement (A): Directors, Officers and Corporate Liability Insurance and/or Section I. Insuring Agreement (D): Outside Executive Liability Insurance)

Section I. Insuring Agreement (A): Directors, Officers and Corporate Liability Insurance

1. OWNERSHIP STRUCTURE

- (a) Number of shareholders _____ (b) Number of shares outstanding _____
- (c) Total number of shares owned by its Directors (direct and beneficial) _____
- (d) Total number of shares owned by its Officers (direct and beneficial) who are not Directors _____
- (e) Name and percentage of shares owned by shareholders directly or beneficially holding 5% or more of the common stock (if none, check here _____). _____
- (f) If the proposed **Policyholder** is owned by a parent company, indicate the name and principal address of the parent. _____
- (g) Are there any other securities which are convertible to common stock? ____ Yes ____ No. If yes, attach details.
- (h) Are any of the **Policyholder's** securities publicly traded? ____ Yes ____ No

2. INSURED INDIVIDUALS

- (a) Attach a complete list of all Directors and Officers of the **Policyholder** by name and affiliation with other organizations.
- (b) Attach a complete list of all other proposed **Insured Individuals** by name, title, responsibility and affiliation with other organizations.

3. Attach complete list of **Subsidiaries**, foundations and charitable trusts proposed for coverage, including their nature of business, date acquired or created and percentage of ownership by the **Parent Company**.

4. PAST TRANSACTIONS

Has the **Policyholder** in the past 36 months completed or agreed to, or does it contemplate within the next 12 months, any of the following, whether or not such transactions were or will be completed?

- (a) Merger, acquisition or consolidation with another entity whose consolidated assets exceed 25% of the **Policyholder** consolidated assets? ____ Yes ____ No.
- (b) Sale, distribution or divestiture of any assets or stock other than in the ordinary course of business in an amount exceeding 25% of the **Policyholder's** consolidated assets? ____ Yes ____ No
- (c) Any registration for a public offering or private placement of securities? ____ Yes ____ No
- (d) Any change in outside auditors? ____ Yes ____ No

If yes to any of the questions in 4(a), (b), (c) or (d) above, attach details.



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5. PAST ACTIVITIES

- (a) Has the **Policyholder** changed independent auditors in the past 3 years? Yes No
- (b) Has the **Policyholder** had any changes in the board of directors or senior management within the past three (3) years? Yes No
- (c) Has the **Policyholder** or any director, officer or other proposed **Insured** been involved in any of the following:
- Anti-trust, copyright or patent litigation? Yes No
- Civil or criminal action or administrative proceeding charging violation of a federal, state or foreign security law or regulation? Yes No
- Any other criminal actions? Yes No
- Representative actions, class actions or derivative suits? Yes No
- Investigation by the Securities and Exchange Commission, or similar state or foreign agency? Yes No

If yes to any of the questions in 5 (a), (b) or (c) above, attach details.

Section I. Insuring Agreement (D): Outside Executive Liability Insurance

Please provide list of **Executive Officers** and the **Outside Entity** for which coverage is requested as per the below schedule:

<u>Executive Officer</u>	<u>Outside Entity</u>	<u>Business Type (ie: Corporation, Joint Venture, Partnership, etc...)</u>	<u>Nature of Business</u>	<u>D&O Insurance (Carrier and Limit)</u>



INTERNATIONAL PROGRAM MANAGERS, LTD.

Please submit your application to the address below:



International Program Managers, Ltd.
1726 Reisterstown Road
Suite 219
Baltimore, MD 21208