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for Insurance Companies

**Private Company Directors and Officers
Liability Coverage Application**

Travelers Casualty and Surety Company of America

NOTICE

ALL LIABILITY COVERAGE PARTS FOR WHICH APPLICATION IS MADE APPLY, SUBJECT TO THEIR TERMS, ONLY TO CLAIMS FIRST MADE OR DEEMED MADE AGAINST INSURED DURING THE POLICY PERIOD OR ANY EXTENDED REPORTING PERIOD, IF APPLICABLE. THE LIMIT OF LIABILITY AVAILABLE TO PAY LOSSES WILL BE REDUCED BY THE AMOUNTS INCURRED AS DEFENSE EXPENSES, AND DEFENSE EXPENSES WILL BE APPLIED AGAINST THE RETENTION AMOUNT. TRAVELERS HAS NO DUTY TO DEFEND ANY CLAIM UNLESS DUTY-TO-DEFEND COVERAGE IS SPECIFICALLY PROVIDED.

Applicant means all corporations, organizations or other entities, including subsidiaries, proposed for this insurance. Attach a separate page to the Application for any information that exceeds the space provided.

I. GENERAL INFORMATION

1. **Applicant** Information:

Name of **Applicant**:

Street Address:

City, State, ZIP Code:

Website Address(es):

Year **Applicant's** business was established (yyyy):

Description of **Applicant's** operations:

2. **Applicant's** Standard Industrial Classification (SIC) code, if known (four-digit number):

3. Is the **Applicant** a subsidiary of a foreign parent? Yes No

4. Does the **Applicant** currently file, or does it anticipate filing in the next six months, any documents with the Securities and Exchange Commission (SEC), or similar foreign authority regarding any equity or debt securities? Yes No

II. ORGANIZATION INFORMATION

5. Total number of employees:

6. List and describe all entities in which the **Applicant's** ownership interest is 50% or greater or over which the **Applicant** has management control:
If Not Applicable, check .

Name	Percentage Owned	Year Started (yyyy)	Description of Operations	Entity Type*	Insurance Company Type**
	%				
	%				
	%				
	%				
*Entity Type: FP=For-Profit (other than Partnership); NP=Non-Profit; GP=General Partnership; LP=Limited Partnership; LLC=Limited Liability Company					
**Insurance Company Type: SIC=Stock Insurance Company; MIC=Mutual Insurance Company; RIC=Reciprocal Insurance Company; RRG=Risk Retention Group; R=Reinsurer; CIC=Captive Insurance Company; O=Other					

To enter more information, attach a separate page or an organization chart with ownership detail.

7. In the next 12 months (or during the past 24 months) is the **Applicant** contemplating (or has the **Applicant** completed or been in the process of completing) the following:

- a. Any actual or proposed merger, acquisition, or divestiture? Yes No
- b. Any creation of a new business, subsidiary, or division? Yes No
- c. Any registration for a public offering or a private placement of securities (stocks or bonds)? Yes No
- d. Any reorganization or arrangement with creditors under federal or state law? Yes No
- e. Any branch, location, facility, office, or subsidiary closings, consolidations, or layoffs? Yes No
- f. Any development of new products or entering into any new states? Yes No
- g. If the **Applicant** is a mutual company, any conversion of mutual ownership to stock ownership? Yes No

If Yes, attach an explanation, including the timing, the essential terms of the event, arrangement, and the surrounding circumstances.

III. SPECIFIC INSURANCE COMPANY INFORMATION

8. List the **Applicant's** key reinsurers, including percentage of ceded premium and participation description:

Reinsurer	Percentage of Ceded Premium	Participation Description
	%	
	%	
	%	

9. Have there been any significant changes in reinsurance treaty terms during the past three years or are any expected during the next 12 months including changes in self insured retentions, limits purchased, lines of business added or excluded, or exclusions added or removed? Yes No

If Yes, attach an explanation.

10. During the last 12 months has any rating agency communicated any changes in, or placed under review, any current financial or claims paying ability ratings of the **Applicant**? Yes No

If Yes, attach an explanation.

11. Has the **Applicant** had an independent outside actuarial certification of rates or reserve adequacy? ... Yes No

If No, provide details.

If Yes, provide the dates (mm/dd/yyyy) of most recent certifications and the name of organizations that provided such certifications:

Are the recommendations contained in such certifications being implemented? Yes No

If No, attach an explanation.

12. Provide the following as it relates to the **Applicant's** fiscal year end (FYE):

	Most Recent FYE	Prior FYE	Projected FYE
Total Assets	\$	\$	\$
Total Direct Written Premium	\$	\$	\$

13. Prior Insurance Information:

a. Provide the following insurance information for the **Applicant**:

Coverage	Insurer	Limit	Retention	Policy Period (mm/dd/yyyy – mm/dd/yyyy)	Expiring Premium
Directors and Officers Liability Insurance		\$	\$		\$
Employment Practices Liability Insurance		\$	\$		\$
Fiduciary Liability Insurance		\$	\$		\$
Cyber Liability Insurance		\$	\$		\$
Financial Institution Bond		\$	\$		\$
General Liability Insurance		\$	\$		\$
Property Insurance		\$	\$		\$
Workers Compensation Insurance		\$	\$		\$
Commercial Auto Insurance		\$	\$		\$
Other Errors & Omissions (E & O) Coverage		\$	\$		\$

b. If other E&O coverage was completed in the table above, specify the kind of E&O coverage obtained:

14. Have there been any disciplinary actions taken against the **Applicant** during the previous three years by any regulatory authority, including any consent, disciplinary, enforcement or cease and desist orders, or similar agreements or restrictions?..... Yes No

If Yes, attach full details.

IV. SHAREHOLDER INFORMATION

Total Shares	Common	Preferred	Other
Authorized			
Outstanding			
Voting Shares Outstanding			
Voting Shares Owned by Directors and Officers (Direct and Beneficial)			
Number of Voting Shareholders			

If there are multiple classes of stock, attach a list. The list should include: number of shareholders and number of shares held in each stock class.

15. Does the charter or By-laws of the **Applicant** provide indemnification to its Directors and Officers to the fullest extent permitted by law? Yes No
16. Are there any securities that are convertible to voting stock? Yes No
If Yes, attach an explanation.

17. List all shareholders that own greater than 5% of any class of security:

Shareholder	Class of Security	Percentage Owned	Director or Officer (Yes or No)
		%	
		%	
		%	

If there are more shareholders, attach a list. The list should include: shareholder name, class of security (including voting and non-voting shares separately), percentage owned and indicate if they are a Director or Officer.

18. Is any shareholder a trust that qualified as an Employee Stock Ownership Plan (ESOP) under Employee Retirement Income Security Act (ERISA) or holds securities for the benefit of employees? Yes No
If Yes, attach most recent stock valuation report.
19. Have there been any changes in the Board of Directors or senior management of the **Applicant** within the past three years for reasons other than death or retirement? Yes No
If Yes, attach an explanation.

V. AUDITOR INFORMATION

20. Scope of financial statement preparation:

Internal CPA (Certified Public Accountant) Compilation CPA Review CPA Audit None

21. Has the **Applicant** changed outside auditors in the last three years?N/A Yes No
If Yes, attach an explanation.
22. Have the outside auditors stated there are material weaknesses in the **Applicant's** systems of internal controls?N/A Yes No
If Yes, attach an explanation and provide the latest CPA letter to management and management's response.

23. Has the **Applicant** implemented all material recommendations of the auditor?.....N/A Yes No
If No, attach an explanation.

24. Has any auditor issued a "going concern" opinion for the **Applicant's** financial statements during the past three years?N/A Yes No
If Yes, attach an explanation.

VI. CURRENT INSURANCE INFORMATION/REQUESTED INSURANCE TERMS

Requested Limit (A)	Requested Retention (B)	Requested Effective Date (mm/dd/yyyy) (C)	Coverage Currently Purchased (Yes or No) (D)
\$	\$		

Expiring Limit (E)	Expiring Retention (F)	Expiring Premium (G)	Current Insurer (H)	Date Coverage First Purchased (mm/dd/yyyy) (I)
\$	\$	\$		

25. What is the **Applicant's** preference for defense coverage? Duty-to-Defend Reimbursement

26. If Liability Coverage is currently purchased as indicated in Column (D) above, but has been in place for less than three years, answer the following question:

As of the date the **Applicant** first purchased the Liability Coverage, is the **Applicant** or any person proposed for this insurance aware of any fact, circumstance, situation, event or act that reasonably could give rise to a claim being made against them under the Liability Coverage for which the **Applicant** is applying? Yes No
If Yes, attach an explanation.

27. If Liability Coverage is not currently purchased as indicated in Column (D) above, answer the following question:

Is the **Applicant** or any person proposed for this insurance aware of any fact, circumstance, situation, event or act that reasonably could give rise to a claim against them under the Liability Coverage for which the **Applicant** is applying?..... Yes No
If Yes, attach an explanation.

28. If the Requested Limit in Column (A) exceeds the Expiring Limit in Column (E), answer the following question:

Solely with respect to any higher limits requested or that may ultimately be issued for the proposed insurance, is the Applicant or any person proposed for this insurance aware of any fact, circumstance, situation, event or act that reasonably could give rise to a claim against them under the Liability Coverage for which the **Applicant** is applying?..... Yes No
If Yes, attach an explanation.

*With respect to the information required to be disclosed in response to the questions above, the proposed insurance will not afford coverage for any claim arising from any fact, circumstance, situation, event or act about which any executive officer of the **Applicant** had knowledge prior to the issuance of the proposed policy, nor for any person or entity who knew of such fact, circumstance, situation, event or act prior to the issuance of the proposed policy.*

VII. LOSS INFORMATION

29. Have any administrative or regulatory proceedings, or civil or criminal charges, hearings, demands, or lawsuits, been made or brought against any person or entity proposed for this insurance during the past three years, whether or not insured, including security holder, creditor, antitrust, fair trade law, copyright, or patent litigation? Yes No
If Yes, complete the table below:

Date of Such Claim (dd/mm/yyyy)	Nature of Claim	Amount Paid for Defense	Amount Sought or Paid for Damages	Covered by Insurance (Yes or No)	Corrective Procedures Implemented (Yes or No)	Current Status
		\$	\$			
		\$	\$			

VIII. REQUIRED ATTACHMENTS

As part of this Application, submit the following documents (*these documents, and the representations and facts they contain, are made a part of this Application, whether such documents are physically delivered to the Company by the Applicant or are obtained by the Company from any public source, including the Internet*):

- List of Directors and Officers of the **Applicant**
 - Most recent Annual Convention Statement*
 - Most recent Quarterly Convention Statement*
 - Most recent Annual Report (Complete Audited Financial Statement)*
 - Most recent Interim Financial Statements*
 - Any Private Placement Memorandum or any documents filed with the SEC in the past year
 - Entity organizational chart, including interrelated non-insurance company entities
- **Consolidated Financial Statements are preferred. However, if consolidated financial statements are not available for any organization, submit an individual financial statement for such organization.*

IX. COMPENSATION NOTICE

Important Notice Regarding Compensation Disclosure

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.

X. FRAUD WARNINGS

Attention: Insureds in Alabama, Arkansas, District of Columbia, Maryland, New Mexico, and Rhode Island

Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Attention: Insureds in Colorado

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.

Attention: Insureds in Florida

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.

Attention: Insureds in Kentucky, New Jersey, New York, Ohio, and Pennsylvania

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. (In New York, the civil penalty is not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation.)

Attention: Insureds in Louisiana, Maine, Tennessee, Virginia, and Washington

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.

Attention: Insureds in Oregon

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

Attention: Insureds in Puerto Rico

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 dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be 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.

XI. SIGNATURE SECTION

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE (PRESIDENT, CEO, OR OTHER OFFICER ACCEPTABLE TO TRAVELERS) OF THE APPLICANT DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS SET FORTH IN THIS APPLICATION FOR INSURANCE ARE TRUE AND COMPLETE AND MAY BE RELIED UPON BY TRAVELERS. IF THE INFORMATION IN ANY APPLICATION CHANGES PRIOR TO THE INCEPTION DATE OF THE POLICY, THE APPLICANT WILL NOTIFY TRAVELERS OF SUCH CHANGES, AND TRAVELERS MAY MODIFY OR WITHDRAW ANY OUTSTANDING QUOTATION. TRAVELERS IS AUTHORIZED TO MAKE INQUIRY IN CONNECTION WITH THIS APPLICATION.

TRAVELERS IS HEREBY AUTHORIZED TO MAKE ANY INVESTIGATION OR INQUIRY IN CONNECTION WITH THIS APPLICATION. THE UNDERSIGNED AUTHORIZED REPRESENTATIVE AGREES THAT IF THE INFORMATION SUPPLIED IN THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE EFFECTIVE DATE OF ANY POLICY THAT TRAVELERS MAY ISSUE TO THE APPLICANT, THE UNDERSIGNED WILL IMMEDIATELY NOTIFY TRAVELERS OF SUCH CHANGES, AND TRAVELERS MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS.

THE SIGNING OF THIS APPLICATION DOES NOT BIND TRAVELERS TO OFFER, NOR THE APPLICANT TO PURCHASE, THE INSURANCE. IT IS AGREED THAT THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, WILL BE THE BASIS OF THE INSURANCE AND WILL BE, IN ALL STATES OTHER THAN NC AND UT, CONSIDERED PHYSICALLY ATTACHED TO AND PART OF THE POLICY, IF ISSUED. TRAVELERS WILL HAVE RELIED UPON THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, IN ISSUING THE POLICY.

ELECTRONICALLY REPRODUCED SIGNATURES WILL BE TREATED AS ORIGINAL.

Signature* of **Applicant's** Authorized Representative
(President or CEO)

Name (Printed)

Title

Date

XII. PRODUCER INFORMATION (ONLY REQUIRED IN FLORIDA, IOWA, AND NEW HAMPSHIRE):

Producer Signature*

Producer Name (Printed)

Agency Name

Agency Code

License Number

***IF YOU ARE ELECTRONICALLY SUBMITTING THIS APPLICATION TO TRAVELERS, APPLY YOUR ELECTRONIC SIGNATURE TO THIS FORM BY CHECKING THE ELECTRONIC SIGNATURE AND ACCEPTANCE BOX BELOW. BY DOING SO, YOU HEREBY CONSENT AND AGREE THAT YOUR USE OF A KEY PAD, MOUSE, OR OTHER DEVICE TO CHECK THE ELECTRONIC SIGNATURE AND ACCEPTANCE BOX CONSTITUTES YOUR SIGNATURE, ACCEPTANCE, AND AGREEMENT AS IF ACTUALLY SIGNED BY YOU IN WRITING AND HAS THE SAME FORCE AND EFFECT AS A SIGNATURE AFFIXED BY HAND.**

AUTHORIZED REPRESENTATIVE'S ELECTRONIC SIGNATURE AND ACCEPTANCE

PRODUCER'S ELECTRONIC SIGNATURE AND ACCEPTANCE