INSURANCE COMPANY DIRECTORS & OFFICERS LIABILITY AND ERRORS AND OMISSIONS LIABILITY APPLICATION

NOTICE: THIS IS A PROPOSAL FOR A CLAIMS-MADE POLICY. THE POLICY FOR WHICH THIS PROPOSAL IS MADE, SUBJECT TO ITS TERMS AND CONDITIONS, IS LIMITED TO LIABILITY FOR ACTS FOR WHICH CLAIMS ARE FIRST MADE AGAINST THE INSURED WHILE THE POLICY IS IN FORCE.

THE LIMIT(S) OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT THE AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.

Name of Applicant_____
Street Address _____
City/State/Zip Code _____ Telephone_____
State of Incorporation or Charter:_____
The Applicant has continuously been in operation since:_____

1. The Applicant is chartered as a:_____

   If the Company is owned by a holding company and coverage is desired for holding company, please complete in name of holding company.

   Officer designated as representative of the applicant and all insured directors and officers to receive any and all notices from the insurer.

2. The Applicant has continuously been in operation since:_____

3. Principal nature of business of the Applicant:_____

4. a) Ownership: Stock _____ Mutual_____
   b) If a Mutual Company, does the applicant intend to convert to a Stock Company within the next year; or has the Applicant considered converting to a Stock Company within the last two years? Yes _____ No _____
   - If "Yes", provide details:

5. Common Stock:
   a) Total number of shareholders _____
   b) Total number of shares outstanding _____
   c) Total number of shares owned directly or beneficially by Directors & Officers _____
   d) Give names and percent owned of all persons or entities that presently own or control or have stated the intention to acquire, of record or beneficially, more than 5% of the Applicant's or Parent Corporation's outstanding stock (if none, so indicate):

6. Has the Applicant or any Subsidiary been involved in actual or proposed merger, acquisition, consolidation, tender offer, or divestment in the last three (3) years?
   - If "Yes", provide details:

7. Has the Applicant filed or contemplated filing any Registration Statement with any Governmental Authority within the past eighteen (18) months or within the next twelve (12) for a public offering of securities?
   - If "Yes", provide details:

8. Provide the following information on all Subsidiaries (including subsidiaries of Subsidiaries):

Name	Percentage Owed	Date Acquired or Created	Nature of Business	State/Country of Incorporation	Most Recent Total Asset	Net Income

9. Have there been any changes in senior management (Chairman, President, Executive or Senior Officers, etc.) in the past three (3) years? Yes _____ No _____
   - If "Yes", provide details:

10. Has any Director or Officer in the last five years been charged with or convicted of any criminal act or been the subject of any pending criminal, administrative or regulatory agency investigation?
   - If "Yes", provide details:

11. Regulatory Information:
   a. Please provide the date of the last three financial and market conduct regulatory examinations along with the name of the examining agency: _____
   b. Have all criticisms noted in the most recent examination been reviewed and appropriate corrective actions taken? Yes _____ No _____

   - If "No", please provide an explanation by attachment to this Application Form.

   c. Did any such criticisms pertain to the claims handling or settlement practices or procedures of the Applicant? Yes _____ No _____

   - If "Yes", provide details:

d. Has the Applicant during the past five years received an order to cease and desist or entered into any type of written agreement with any regulatory agency concerning the operations of the Company or any of its subsidiaries? Yes _____ No _____

- If "Yes", please provide an explanation by attachment to this Application Form.

12. Premium Volume:

	Last Full Year	Current Year Estimate
a. Direct Written Premium	_____	_____
b. Net Written Premium	_____	_____

13. Are Professional Services (i.e. Safety inspections, safety engineering, claims adjusting, loss control, personal injury rehabilitation, actuarial or insurance consulting, premium financing, risk management, or other similar functions) performed by the Company for non-policyholders? Yes _____ No _____

- If "Yes, please list by attachment services provided along with the annual revenue for each service.

14. Claim Service Information:

A. Approximate annual number of reported claims:

	Prior Year	Current Year To - Date
Life	_____	_____
A & H	_____	_____
Auto, BI & No Fault	_____	_____
Auto, Property Damage	_____	_____
Auto, Physical Damage	_____	_____
General Liability & CMP	_____	_____
Professional Liability	_____	_____
Workers' Compensation	_____	_____
Other Casualty	_____	_____
Other Property	_____	_____

B. Total number of claims handling personnel employed by the Company, excluding secretarial and clerical:

_____

C. Percentage of claims handled by home office personnel:_____%.

D. Percentage of claims sent to outside counsel: _____%.

E. Does the Company contract with outside adjustment services? Yes _____ No _____

- If "Yes", please indicate the percentage of claims handled by outside services ___%.

Attach a copy of the standard contract and hold harmless agreements, if any (if none, please check here: ___).

F. Does the Company have a written claims manual detailing all appropriate claims handling procedures?
Yes _____ No _____

G. Does the Company have a formal training program for adjusters and/or examiners?
Yes _____ No _____

15. Does the Company have established procedures in effect for the handling of claims, suits or threats of action against the Company alleging errors or omissions or seeking punitive, bad faith or extra contractual damages?

Yes _____ No _____

If "Yes", please describe these procedures and complete items A-D below.

_____

_____

_____

A. Is a written directive in effect covering these procedures? Yes _____ No _____

If "Yes", please attach a copy of the directive with this Application Form.

B. Please provide the year these procedures were established:

_____

C. Please list all senior personnel responsible for monitoring and reviewing all such claims or suits:

Name*:*

Title:

Department:

D. When do the procedures require that these senior personnel be notified of such actual or threatened causes of action?

_____

_____

16. Company Operation Information:

A. Please list below or by attachment all lines of business the Company is currently writing together with the most recent annual written premium volume for each:

_____

_____

_____

B. Does the Company now have or has it had during the past five years, any agreements in effect with any Managing General Agent? Yes _____ No _____
If "Yes", please provide the name of each MGA together with the class of business, annual premium volume, and claim settlement authority.

_____

_____

_____

C. Please list all pools in which the Company participates and designate any which are managed by the Company.

_____

_____

D. Please complete the following as respects general services provided by the Company:

	YES	NO	ANNUAL REVENUE
Agency & Brokerage Operations	_____	_____	_____
Securities Broker - Dealer	_____	_____	_____
Real Estate Syndication or Management	_____	_____	_____
Captive Management	_____	_____	_____
Insurance Consulting	_____	_____	_____
Pension Consulting	_____	_____	_____
Third Party Benefit Administration	_____	_____	_____
Financial Planning	_____	_____	_____
Investment Advisory Services	_____	_____	_____
Title or Escrow Agent	_____	_____	_____

E. Please complete the following regarding the Company's treaty and facultative reinsurance contracts as respects coverage for punitive and exemplary damages:

i. Silent
ii. Specifically included _____
iii. Specifically excluded _____

17. Claims Information:

Is there now pending any litigation against the Applicant or any of its subsidiaries?

A. Have any Errors and Omissions judgments, settlements, payments, claims or suits seeking punitive, exemplary, extra contractual or compensatory damages been made during the last five years against the Company or any of its directors, officers, or employees? Yes _____ No _____

If "YES", please provide by attachment a listing of all such judgments, settlements, payments, claims or suits made in the past five years, including details as to the date of the claim or suit, nature of the allegations, amount of damages sought, amount paid, and current status.

B. Does anyone for whom this insurance is intended to cover have knowledge or information of any act, error, omission, fact or circumstance which may give rise to a claim which may fall within the scope of this proposed insurance? Yes _____ No _____
If "YES", please explain:

IT IS AGREED WITH RESPECT TO QUESTIONS 17A AND 17B THAT ANY CLAIM ARISING THEREFROM (WHETHER OR NOT DISCLOSED HEREIN), IN ADDITION TO ANY OTHER REMEDY THE INSURER MAY HAVE, IS EXCLUDED FROM THE PROPOSED COVERAGE.

18. Prior Coverage Information:

A. Has the Company ever had any similar insurance declined, canceled or non-renewed? Yes _____ No____
If "Yes", please explain:

_____

_____

B. If Directors and Officers or Insurance Company Professional Liability Insurance is currently carried, please complete the following:
(if none, so state):

i. Carrier: _____
ii. Effective and Expiration Dates: _____
iii. Limit of Liability: _____
iv. Retention/Deductible: _____
v. Premium: _____

19. Additional Information:

In addition to a fully completed Application Form, the following items must be included with any submission for consideration. Such items will be considered attached to and made a part of this Application Form.

If a specific item is not applicable for this Company, please note N/A next to that item.

A. Latest full year and most recent interim Convention Statements, both individual and consolidated;

B. Most recent Annual Report*;
C. Most recent Form 10-K filed with the SEC*;
D. Any reports, including Form 10-Q's, filed with the SEC subsequent to the Form 10-K filing*.
E. Attach list of names of all Directors and Senior Officers proposed for this insurance.
F. The Notice of Stockholders and Proxy Statement for the last scheduled meeting.
G. The most recent management letter regarding internal control and management's response to any material criticisms.
H. Claims handling manual (if available)
I. Loss Reports listing Professional Liability judgments, settlements, claims or suits.

- If the Company does not prepare Annual Reports or a Form 10-K, please submit a copy of the most recent Audited Financial Statements and interim Financial Statements in lieu thereof.

20 The undersigned authorized agents of the Company and its directors, officers and employees proposed for this insurance for the purpose of this Application Form declares that to the best of such agents' knowledge and belief the statements made herein and responses attached hereto are true, and it is agreed that this Application Form shall be the basis of the contract and be deemed incorporated therein should the Insurer evidence its acceptance of this Application Form by issuance of a Policy. This Application Form will be attached to and become a part of such Policy, if issued.

21. The undersigned hereby authorizes the Insurer to make any investigation and inquiry in connection with this Application Form it deems necessary, and authorizes the release of any claim information from any prior insurer to the Insurer.

SIGNING THIS FORM DOES NOT BIND THE COMPANY OR THE INSURER TO COMPLETE THE INSURANCE. THE APPLICATION FORM MUST BE CURRENTLY SIGNED AND DATED TO BE CONSIDERED FOR QUOTATION.

FRAUD WARNING STATEMENTS

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.

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.

DISTRICT OF COLUMBIA APPLICANTS: 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."

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 OF THE THIRD DEGREE.

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.

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.

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.

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.

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.

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.

NEW YORK 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 MATERIAL FACT THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL BE ALSO SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

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.

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.

OREGON APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD OR SOLICIT ANOTHER TO DEFRAUD AN INSURER: (1) BY SUBMITTING AN APPLICATION OR; (2) FILING A CLAIM CONTAINING A FALSE STATEMENT AS TO ANY MATERIAL FACT MAYBE VIOLATING STATE LAW.

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.

TENNESSEE: 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.

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.

WEST VIRGINIA: 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.

PLEASE REVIEW THE POLICY CAREFULLY.

Except to such extent as may be otherwise provided for in the Policy, the Policy for which this Application Form is being submitted is limited to only those Claims that are first made against the Insured while the Policy is in force.

The Company agrees that if the information provided in this Application Form changes subsequent to the completion of this Application Form but prior to the time coverage is bound, the Company shall immediately notify the Insurer of such change and the Insurer shall have the right to modify or withdraw any quotation which the Insurer may have offered.

Authorized Signatures:

Name of Company:_____

Must be signed by CEO or President	Title
	Date
Must be signed by Senior Claims Officer	Title
	Date

Note: This Application Form, including any material submitted therewith, shall be treated in strictest confidence.

Please submit this Application Form together with all supporting attachments and documentation to:

Hartford Financial Products
2 Park Avenue
New York, New York 10016