

## Director and Officer and Corporate Securities Liability Application

**NOTICE: THIS IS AN APPLICATION FOR A CLAIMS-MADE AND REPORTED POLICY, WHICH SUBJECT TO ITS PROVISIONS APPLIES ONLY TO CLAIMS WHICH ARE BOTH FIRST MADE AGAINST THE INSURED AND REPORTED TO THE INSURER DURING THE POLICY PERIOD OR AN EXTENDED REPORTING PERIOD, IF APPLICABLE. DEFENSE COSTS ARE INCLUDED WITHIN THE LIMIT OF LIABILITY. THE INFORMATION CONTAINED AND STATEMENTS MADE WITHIN THIS APPLICATION ARE INCORPORATED INTO, AND WILL FORM THE BASIS OF, ANY POLICY OF INSURANCE ISSUED BY CATLIN. THE APPLICANT AND ALL SIGNORS OF THIS APPLICATION WARRANT THAT THE INFORMATION CONVEYED IS TRUE AND CORRECT.**

Please fully answer all questions and submit requested information. Bold-faced terms are defined in the Policy and have the same meaning in the **Application**. Any information provided, whether physically attached or available on the Applicant's web site, shall be deemed incorporated into this **Application**. The **Insurer** will hold the **Application** (and all materials submitted herewith) in confidence.

**A. General Information**

1. **Named Insured:** \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
 Website: \_\_\_\_\_  
 Date of Incorporation/Formation: \_\_\_\_\_  
 State of Incorporation/Formation: \_\_\_\_\_ FEIN: \_\_\_\_\_  
 Nature of Business: \_\_\_\_\_

2. **Named Insured's** representative to receive notices from **Insurer**:  
 Name: \_\_\_\_\_  
 Title \_\_\_\_\_  
 Address \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
 Telephone: \_\_\_\_\_ Email address: \_\_\_\_\_

1. Number of Offices: \_\_\_\_\_ Number of Employees: \_\_\_\_\_

2. Indicate business structure of **Named Insured**:  
 Corporation     Limited Liability Company     Other: \_\_\_\_\_

**B. Limits and Retentions Requested**

1. Effective Date: \_\_\_\_\_  
 2. Limit of Liability: \$ \_\_\_\_\_  
 3. Retention: \$ \_\_\_\_\_ each **Director and Officer** each **Claim** but not exceeding  
                   \$ \_\_\_\_\_ all **Director and Officers** each **Claim**  
                   \$ \_\_\_\_\_ Corporate Indemnification, each **Claim**  
                   \$ \_\_\_\_\_ Corporate Securities Liability, each **Claim**

**C. Ownership**

1. Are any of the **Named Insured's** equity securities publicly traded?  Yes  No  
 If yes, on which exchange(s) are the securities traded? \_\_\_\_\_

2. Number of **Named Insured's**:  
 a. Common equity shares outstanding: \_\_\_\_\_

b. Common equity shareholders: \_\_\_\_\_

3. Percentage of **Named Insured's** common equity shares owned directly or beneficially by:
  - a. Officers who are not Directors: \_\_\_\_\_%
  - b. All Officers and Directors as a group: \_\_\_\_\_%
4. Do any of the **Named Insured's** shareholder(s), or groups of affiliated shareholders, directly or beneficially own 5% or more of its common equity shares?  Yes  No  
**If yes, please identify such shareholder(s), or group(s) of affiliated shareholders, and their percentage stock ownership on the Supplemental Information Form (S.I.F.).**
5. Is the **Named Insured** aware that any person or entity has made a Schedule 13D filing with the Securities and Exchange Commission with respect to its securities or those of any of its **Subsidiaries**?  Yes  No  
**If yes, please provide details on the Supplemental Information Form (S.I.F.).**
6. Are any of the **Named Insured's** securities convertible to common stock?  Yes  No  
**If yes, please attach a complete description and the aggregate market value of such securities on the Supplemental Information Form (S.I.F.).**

**D. Corporate Management**

1. Attach a list of the **Director and Officers** along with their respective position(s) and number of years that person has held that position(s).
2. For each member of the **Named Insured's** Audit Committee indicate the following:

Member	Years of Service on Committee	Financial Background	Is this Member designated as a Financial Expert?
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No

3. Please identify the General Counsel, Risk Manager and Human Resources Manager of the **Named Insured** and indicate the number of years that person has held that position:
  - a. General Counsel: \_\_\_\_\_ Years in Position: \_\_\_\_\_
  - b. Risk Manager: \_\_\_\_\_ Years in Position: \_\_\_\_\_
  - c. Human Resources Manager: \_\_\_\_\_ Years in Position: \_\_\_\_\_
4. Is the President or Chief Executive Officer of the **Named Insured** allowed to serve as Chairperson of the board of directors of the **Named Insured**?  Yes  No
5. Has the **Named Insured** adopted a code of ethics policy for its present officers and members of the board of directors (or members of the board of managers, if the **Named Insured** is a limited liability company)?  Yes  No  
 If yes, please attach the policy and indicate when it was adopted.
6. Do the members of the board of directors of the **Named Insured** who are not officers of the **Named Insured** meet on a regular basis outside the presence of the officers of the **Company**?  Yes  No  
**If yes, please attach the schedule for such meetings, whether such non-officer members of the board of directors of the Named Insured select a member to serve as Chairman and the powers of such non-officer members and Chairman on the Supplemental Information Form (S.I.F.).**

**E. Corporate Changes**

1. Within the past thirty-six (36) months, has the **Company**:
  - a. Changed its independent auditor?  Yes  No

- b. Changed its Chief Financial Officer or Chief Executive Officer?  Yes  No
- c. Changed its outside general legal counsel?  Yes  No

***If yes to any of the above, please provide details on the Supplemental Information Form (S.I.F.).***

2. Has the **Company** 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:

- a. Merger, acquisition or consolidation with another entity?  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 **Named Insured's** consolidated assets?  Yes  No
- c. Any registration for a public offering or private placement of securities?  Yes  No
- d. Reorganization or arrangement with creditors under state or federal law?  Yes  No

***If yes to any of the above, please provide details on the Supplemental Information Form (S.I.F.).***

**F. Claims Experience**

1. Is any person(s) or entity(ies) applying for this insurance aware of any of the following litigation having been made against them within the past thirty-six (36) months:

- a. Anti-trust, copyright, or patent litigation?  Yes  No
- b. Civil or criminal action or administrative or regulatory proceeding charging or investigating a possible violation of any federal or state securities law or regulation?  Yes  No
- c. Any other criminal action?  Yes  No
- d. Representative actions, class actions or derivative suits?  Yes  No
- e. Bankruptcy, receivership or insolvency?  Yes  No

2. Has the SEC conducted an inspection, investigation or examination of any person(s) or entity(ies) applying for this insurance within the past thirty-six (36) months?  Yes  No

3. Does any person(s) or entity(ies) applying for this insurance have knowledge or information of any fact, circumstance or actual alleged act, error or omission which may reasonably be expected to give rise to a claim(s) being made against them?  Yes  No

**IT IS UNDERSTOOD AND AGREED THAT, WITHOUT LIMITING ANY RIGHTS OF THE UNDERWRITER, IF SUCH KNOWLEDGE OR INFORMATION EXISTS, ANY CLAIM ARISING THEREFOR IS EXCLUDED FROM THIS PROPOSED INSURANCE.**

***If yes to any of the above, please provide details on the Supplemental Information Form (S.I.F.).***

**G. Prior Insurance**

1. Does the **Company** currently have Director and Officer Liability (“D&O”) coverage?  Yes  No  
If No, skip the questions below and answer the warranty statement that follows.

- a. Insurer: \_\_\_\_\_
- b. Limit of Liability: \_\_\_\_\_
- c. Deductible(s)/Retention(s): \_\_\_\_\_
- d. Policy Period: From \_\_\_\_\_ To \_\_\_\_\_
- e. Pre-set allocation/co-insurance: \_\_\_\_\_
- f. Number of years of uninterrupted coverage with current insurer: \_\_\_\_\_
- g. First year of directors and officers liability coverage: \_\_\_\_\_

2. Has any person(s) or entity(ies) applying for this coverage given written notice under the provisions of any prior or current D&O coverage of any specific fact or circumstance which might give rise to a claim being made against any person(s) or entity(ies) applying for this coverage?  Yes  No  
**If yes, please provide details on the Supplemental Information Form (S.I.F.).**
  
3. Have any insurers made any loss payments on behalf of any person(s) or entity(ies) applying for this coverage under any policy identified above or any similar insurance?  Yes  No  
**If yes, please provide details on the Supplemental Information Form (S.I.F.).**
  
4. Has any policy or application for similar insurance on behalf of the **Company** or it predecessor(s) in business ever been declined, cancelled, rescinded or refused renewal?  Yes  No  
**If yes, please provide details (i.e. name of the insurance carrier, year and reason for such declination, cancellation, rescission or refusal to renew on the Supplemental Information Form (S.I.F.).**

**H. Attachments**

The following material must be attached to this signed and dated application. Please check off materials as attached.

The **Company's** most recent:

1.  Annual Report to Stockholders
2.  10-K report filed with the Securities and Exchange Commission
3.  Audited financial statement
4.  CPA letter to management on internal controls and management's response
5.  Convention statement (if an insurance company only)
6.  A certified copy of the provisions of the **Company's** Charter or By-Laws governing indemnification and limitation of liability of **Directors and Officers**
7.  All proxy statements and notices of Annual Meetings of Stockholders within the last twelve (12) months
8.  All certifications filed by any of the **Directors and Officers** with the Securities and Exchange Commission within the last twelve (12) months
9.  A list of all direct and indirect **Subsidiaries** proposed for coverage including the following for each:
  - Nature of Business
  - Percentage of Ownership
  - Date Acquired or Created
  - State/Country of Incorporation

**I. Warranty**

**The undersigned authorized officer represents and warrants on behalf of the Named Insured and all persons/entities for which insurance is being sought that to the best of his/her knowledge and belief after diligent inquiry, the statements set forth herein and attached hereto are true. It is understood that the statements in this Application, including material submitted to or obtained by the underwriter, are material to the acceptance of the risk, and relied upon by the underwriter. The Insureds further agree that in the event of any material misrepresentation or omission in the Application, including materials submitted to or obtained by the underwriter, this Policy shall be void.**

The undersigned authorized officer of the applicant declares that the statements set forth herein are true. The undersigned agrees that if the information supplied on this **Application** changes between the date of this **Application** and the effective date of the insurance, that he/she will 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 this **Application** does not bind the applicant or the **Insurer** to complete the insurance, 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.

\_\_\_\_\_ Officer executing on behalf of **Named Insured**  
 \_\_\_\_\_ Title (President or CEO)  
 \_\_\_\_\_ Date

### **Fraud Prevention – General Warning**

**NOTICE:** Any person who knowingly, or knowingly assist another, files an application for insurance or claim containing any false, incomplete or misleading information for the purpose of defrauding or attempting to defraud an Insurance Company may be guilty of a crime and may be subject to criminal and civil penalties and loss of insurance benefits.

**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 for 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.

**NOTICE TO FLORIDA APPLICANTS:** Any person who knowingly and with intent to injure, defraud, or deceive any insurance company files a statement of claim containing any false, incomplete or misleading information is guilty of a felony of 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 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 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.

**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 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 OHIO APPLICANTS:** Any person who, with intent to defraud knowingly 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 fact materially false information or conceal 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 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.

**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.

**NOTICE TO WEST VIRGINIA 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.

**Supplemental Information Form (S.I.F.)**

**Instructions:** Use this form to provide additional information or request descriptions or explanations necessary to provide a true and complete response to all questions, statements or requests for information contained in the **Application**. Please identify the number of each question or statement on the **Application** to which your responses relate. If necessary, make additional copies of this form. Please sign all forms and staple the completed forms to the **Application**.

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**Date:** \_\_\_\_\_

**Signed:** \_\_\_\_\_