

Directors and Officers Liability
Offered by
Shannon & Luchs Insurance Agency, Inc.

Application for Directors, Officers and Trustees Liability Insurance
Including Not-For-Profit Organization Reimbursement

NOTICES, DISCLOSURES AND DECLARATIONS RELATING TO THIS APPLICATION AND TO THE PROPOSED INSURANCE APPEAR ON THE REVERSE SIDE OF THIS APPLICATION. PLEASE BE SURE THAT YOU READ AND UNDERSTAND THEM BEFORE SIGNING THE APPLICATION.

1. Name of Applicant: _____
Principal Address of Applicant: _____
2. Nature of Applicant's activities: _____
3. Requested effective date of policy: _____ 4. Year established: _____
5. Name and Title of the Officer of the Applicant designated to receive notices from the Underwriter on behalf of all persons and entities for this insurance:
Name: _____ Title: _____
6. Does the Applicant have a positive fund balance? Yes No
7. Was the Applicant's total revenue under \$2,000,000 during its most recently ended fiscal year? Yes No
If No, please state such total revenue: \$ _____
8. Does the Applicant now have tax-exempt status under Section 501(c)(3) or 501(c)(6) of the U.S. Internal Revenue Code? Yes No
If No, please explain: _____
9. During the Applicant's most recently ended fiscal year, was the total net income (Revenue minus Expenses) positive? Yes No
If No, was the Applicant's net loss less than 15% of the fund balance? Yes No
If No, give details (e.g.: weather) and include details of prior years balances on a separate sheet.
10. Does the Applicant have a written personnel policy? Yes No
11. Does the Applicant have at least four (4) board meetings per year with written minutes? Yes No
12. Does the Applicant have any subsidiaries? Yes No
If Yes, how many? _____ Non-Profit _____ For-Profit
Are they looking for coverage under the proposed insurance? Yes No
13. During the past five years, no claims that would fall within the scope of the proposed insurance have been made against the Applicant or any of its directors, officers, trustees, employees, volunteers, staff or committee members, except as follows.
(If the answer is "none," so state.): _____

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(Continued)

14. No person or entity proposed for this insurance is aware of any fact, circumstance or situation which might afford valid grounds for any claim that would fall within the scope of the proposed insurance, except as follows. (If the answer is "none," so state.): _____

15. Please attach a copy of the following:
- 1) your most recent fiscal year end Revenue and Expense Statement;
 - 2) your By-Laws;
 - 3) a list of your Board of Directors.

Without prejudice to the Underwriter's other rights and remedies, any Claim arising from any claim, fact, circumstance or situation that must be disclosed in response to question 14 or 15 is automatically excluded from the proposed insurance.

THE PERSON SIGNING THIS APPLICATION, AS AUTHORIZED AGENT OF THE APPLICANT AND ALL PERSONS AND ENTITIES PROPOSED FOR THIS INSURANCE, DECLARES THAT, TO THE BEST OF HIS/HER KNOWLEDGE, THE STATEMENTS IN THE APPLICATION AND ANY ATTACHMENTS ARE TRUE AND COMPLETE. THE UNDERWRITER IS AUTHORIZED TO MAKE ANY INQUIRY IN CONNECTION WITH THIS APPLICATION. ACCEPTING THIS APPLICATION DOES NOT BIND THE UNDERWRITER TO COMPLETE THE INSURANCE.

ALL INFORMATION CONTAINED IN AND SUBMITTED WITH THIS APPLICATION IS ON FILE WITH THE UNDERWRITER AND IS CONSIDERED PHYSICALLY ATTACHED TO THIS APPLICATION. THIS APPLICATION AND SUCH ATTACHMENTS WILL BECOME A PART OF ANY POLICY ISSUED. IF A POLICY IS ISSUED, THE UNDERWRITER WILL HAVE RELIED ON THIS APPLICATION AND ATTACHMENTS.

IF INFORMATION CONTAINED IN THIS APPLICATION OR IN ANY ATTACHMENT MATERIALLY CHANGES BEFORE THE EFFECTIVE DATE OF THE PROPOSED POLICY, THE APPLICANT MUST NOTIFY THE UNDERWRITER WHO MAY MODIFY OR WITHDRAW ANY QUOTATION.

THE PERSON SIGNING THIS APPLICATION DECLARES THAT THE APPLICANT AND ALL PERSONS AND ENTITIES PROPOSED FOR THIS INSURANCE UNDERSTAND THAT:

- (A) THIS POLICY APPLIES ONLY TO "CLAIMS" FIRST MADE OR DEEMED MADE AGAINST THE "INSUREDS" DURING THE "POLICY PERIOD;"
- (B) THE PAYMENT OF "DEFENSE EXPENSES" WILL REDUCE THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES AND SETTLEMENTS, AND "DEFENSE EXPENSES" WILL BE SUBJECT TO THE RETENTION; AND
- (C) THE UNDERWRITER HAS NO DUTY UNDER THE POLICY TO DEFEND ANY "INSUREDS."

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.

By: _____
(President or Executive Director)

Title: _____ Date: _____

This application must be signed by the President and/or Executive Director of the Applicant acting as the authorized agent of the Applicant and of all persons proposed for this insurance.