



DIRECTORS AND OFFICERS LIABILITY INSURANCE POLICY

NOTICE: THE POLICY PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

IF A POLICY IS ISSUED, IT WILL BE ON A CLAIMS-MADE BASIS.

I. GENERAL INFORMATION

1. NAME OF APPLICANT: _____
2. ADDRESS OF APPLICANT: _____
3. STATE OF INCORPORATION: _____
4. DATE OF INCORPORATION: _____
5. BRIEFLY DESCRIBE THE FUNCTIONS, PURPOSE, AND GENERAL OPERATIONS OF THE ORGANIZATION. _____
6. PRIMARY SIC CODE(S): _____
7. (A) AMOUNT OF INSURANCE REQUESTED: \$ _____
- (B) SELF-INSURED RETENTION DESIRED (EACH LOSS): \$ _____

II. ORGANIZATION INFORMATION

8. (A) COMPLETE LIST OF ALL DIRECTORS, OFFICERS OR TRUSTEES OF THE ORGANIZATION NAMED IN QUESTION 1 ABOVE BY NAME AND AFFILIATION WITH OTHER ORGANIZATIONS. (If included as an attachment herein, check here ☐.)
- (B) IS THE ORGANIZATION A DULY REGISTERED AND ACTIVE CORPORATION WITH THE PUERTO RICO DEPARTMENT OF STATE?
- NOT-FOR-PROFIT ORGANIZATION
- IS THE ORGANIZATION QUALIFIED UNDER U.S. INTERNAL REVENUE CODE SECTION 501 (C)? YES NO
- FOR-PROFIT CORPORATION
- IS THE COMPANY PUBLICLY TRADED? YES NO

9. PLEASE PROVIDE THE FINANCIAL INFORMATION FOR THE COMPANY, INCLUDING ANY SUBSDIARIES, AS DETAILED BELOW:

APPLICANT FINANCIAL INFORMATION (INCLUSIVE OF SUBSIDIARIES)	PRIOR YEAR (12 MONTH PERIOD)
TOTAL ASSETS	
TOTAL LIABILITIES	
TOTAL EQUITY	
REVENUES	
NET INCOME	

10. DOES NAMED APPLICANT HAVE ANY SUBSIDIARIES? YES ☐ NO ☐ AND / OR AFFILIATES? YES ☐ NO ☐
(IF YES, PLEASE INCLUDE LIST AS ATTACHMENT IDENTIFYING DIRECT AND INDIRECT SUBSIDIARIES, AFFILIATES, ALONG WITH LIST OF DIRECTORS FOR EACH
11. IS THE APPLICANT OR ANY OF ITS SUBSIDIARIES OR AFFILIATES INVOLVED IN ANY JOINT VENTURES, GENERAL PARTNERSHIPS, OR LIMITED PARTNERSHIPS? YES ☐ NO ☐ (If "Yes", please give details.)
12. IS THERE ANY PENDING CLAIM OR HAS THERE BEEN ANY CLAIM AGAINST ANY PERSON PROPOSED FOR INSURANCE IN HIS OR HER CAPACITY OF EITHER DIRECTOR OR OFFICER OF THE NAMED APPLICANT OR ANY OF ITS SUBSIDIARIES OR AFFILIATES? YES [] NO []
(IF YES, PLEASE ATTACH COMPLETE DETAILS)
13. DOES ANY DIRECTOR OR OFFICER HAVE KNOWLEDGE OR INFORMATION OF ANY ACT, ERROR OR OMISSION WHICH MIGHT GIVE RISE TO A CLAIM(S) UNDER THE PROPOSED POLICY ? YES [] NO []
(IF YES, PLEASE ATTACH COMPLETE DETAILS.)

14. DOES THE APPLICANT OR ANY OF ITS SUBSIDIARIES OR AFFILIATES HAVE KNOWLEDGE OR INFORMATION OF ANY ACT, ERROR OR OMISSION WHICH MIGHT GIVE RISE TO A CLAIM(S) UNDER THE PROPOSED POLICY? YES [] NO []
(IF YES, PLEASE ATTACH COMPLETE DETAILS.)
15. HAS THE APPLICANT, ANY OF ITS SUBSIDIARIES, ANY OF ITS AFFILIATES OR ANY DIRECTOR, OFFICER OR TRUSTEE:
- | | | |
|---|-----|----|
| a. BEEN INVOLVED IN ANY ANTITRUST, COPYRIGHT OR PATENT LITIGATION? | YES | NO |
| b. BEEN CHARGED IN ANY CIVIL OR CRIMINAL ACTION OR ADMINISTRATIVE PROCEEDING WITH A VIOLATION OF ANY FEDERAL OR STATE ANTITRUST OR FAIR TRADE LAW? | YES | NO |
| c. BEEN CHARGED IN ANY CIVIL OR CRIMINAL ACTION OR ADMINISTRATIVE PROCEEDING WITH A VIOLATION OF ANY FEDERAL OR STATE SECURITIES LAW OR REGULATION? | YES | NO |
| d. BEEN INVOLVED IN ANY REPRESENTATIVE ACTIONS, CLASS ACTIONS, OR DERIVATIVE SUITS? | YES | NO |

IF ANY OF THE ABOVE, 15 (A) - 15 (D), IS "YES", ATTACH FULL DETAILS

IT IS AGREED THAT WITH RESPECT TO QUESTIONS ABOVE, IF SUCH KNOWLEDGE, INFORMATION OR INVOLVEMENT EXISTS, ANY CLAIM OR ACTION ARISING THERE FROM IS EXCLUDED FROM THE PROPOSED COVERAGE.

16. PREVIOUS INSURANCE. (IF INCLUDED AS AN ATTACHMENT HERETO, CHECK HERE: ☐)

- a. NAME OF INSURANCE COMPANY
- b. LIMIT OF LIABILITY
- c. SELF-INSURED RETENTION
- d. POLICY EXPIRATION DATE
- e. PREMIUM (INDICATE ONE YEAR OR OTHER)
- f. LOSS EXPERIENCE (ATTACH FULL DETAILS. IF NO LOSSES, CHECK HERE: ☐)

17. HAS ANY INSURANCE CARRIER REFUSED, CANCELED OR NOT RENEWED ANY DIRECTORS AND OFFICERS INSURANCE COVERAGE?

YES ☐ NO ☐ (If "Yes", attach full details including when and reason(s).)

18. ATTACH COPIES OF THE FOLLOWING FOR THE APPLICANT AND, TO THE EXTENT AVAILABLE, EACH OF ITS SUBSIDIARIES AND AFFILIATES:

- a. LIST OF DIRECTORS, OFFICERS AND TRUSTEES

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 (UNDERSIGNED) WILL, 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, 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 FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF.

NOTICE: ANY PERSON WHO KNOWINGLY AND WITH THE INTENT TO DEFRAUD PROVIDES FALSE INFORMATION IN AN INSURANCE APPLICATION, OR PRESENTS, ASSISTS, OR MAKES A FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS OR OTHER BENEFIT, OR PRESENTS MORE THAN ONE CLAIM FOR THE SAME INCIDENT OF DAMAGE OR LOSS, WILL COMMIT A FELONY AND IF CONVICTED WILL BE SENTENCED FOR EACH VIOLATION WITH A FINE OF NO LESS THAN FIVE THOUSAND (\$5,000) DOLLARS AND NOT EXCEEDING TEN THOUSAND (\$10,000) DOLLARS, OR BE SENTENCED TO IMPRISONMENT FOR A THREE (3) YEAR TERM, OR BOTH PENALTIES. IN THE EVENT OF AGGRAVATING CIRCUMSTANCES, THE TERM COULD BE INCREASED TO A MAXIMUM OF FIVE (5) YEARS; IN THE EVENT OF INTERVENING EXTENUATING CIRCUMSTANCES IT COULD BE REDUCED UP TO A MINIMUM OF TWO (2) YEARS.

SIGNED _____ DATE _____
(Applicant)

TITLE _____ CORPORATION: _____

ATTEST _____ BROKER _____
(must be signed by Chairman of the Board or President) (Corporate Seal)

ADDRESS _____

PLEASE READ THE FOLLOWING STATEMENT CAREFULLY AND SIGN WHERE INDICATED. IF A POLICY IS ISSUED, THIS SIGNED STATEMENT WILL BE ATTACHED TO THE POLICY. THE UNDERSIGNED AUTHORIZED EXECUTIVE OF THE APPLICANT HEREBY ACKNOWLEDGES THAT HE/SHE IS AWARE THAT THE LIMIT OF LIABILITY CONTAINED IN THIS POLICY SHALL BE REDUCED, AND MAYBE COMPLETELY EXHAUSTED, BY THE COSTS OF LEGAL DEFENSE AND, IN SUCH EVENT, THE INSURER SHALL NOT BE LIABLE FOR THE COSTS OF LEGAL DEFENSE OR FOR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT TO THE EXTENT THAT SUCH EXCEEDS THE LIMIT OF LIABILITY OF THIS POLICY. THE UNDERSIGNED AUTHORIZED EXECUTIVE OF THE APPLICANT HEREBY FURTHER ACKNOWLEDGES THAT HE/SHE IS AWARE THAT LEGAL DEFENSE COSTS THAT ARE INCURRED SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.

SIGNED _____ DATE _____ TITLE _____
(Applicant) (Must be signed by Chairman of the Board or President)

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