|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Instructions for Completing this Application:**  This is a fillable Microsoft Word Document.  Please answer all questions fully. If necessary, as noted in the questions below, please provide additional responses in a supplemental document on your letterhead attached to this Application.  Upon completion, the Application must be signed and dated by an authorized representative of the Applicant. | | | | | | | | | | | | | | |
| **NOTICES**  **Please note that the insurance coverage to which this Application applies provides that the policy limit available is reduced by amounts incurred for legal defense costs and expenses and may be completely exhausted by such amounts. CNA will not be liable for any defense costs or expenses, nor any settlement or judgment amount, after the exhaustion of the policy limit. Please also note that amounts incurred for defense costs and expenses will be applied to the applicable retention.**  **Providing information about a claim or potential claim in response to any question in any part of this Application does not create coverage for such claim or potential claim. The Applicant’s failure to report to its current insurance company any claim made against it during the current policy period, or to report any act, omission, or circumstance of which the Applicant is aware that may give rise to a claim, before expiration of the current policy, may create a lack of coverage.**  **Please note that the submission of a completed, signed Application does not result in an obligation to purchase insurance or an obligation by the insurance company to bind insurance.** | | | | | | | | | | | | | | |
| 1. **GENERAL INFORMATION (Applicable To All Applicants)** | | | | | | | | | | | | | | |
| The Applicant to be named in Item 1. of Declarations (the “Named Insured”): | | | | | | **Sago Capital, LLC** | | | | | | | | |
| Address: | **4501 Mills Park Cir. Suite 200** | | | | | | | | | | | | | |
| City: | **College Station** | | | | | State/Province: | | **TX** | Zip/Postal Code: | | | | | **77845** |
| Website(s): | **www.sagocap.com** | | | | | | | | | | | | | |
| Officer designated to receive correspondence and notices from the Insurer: | | | | | | | | | | | | | | |
| Name: | **Frank Wallace** | | | | | | | | Title: | **COO** | | | | |
| Email: | **frank@sagocap.com** | | | | | | | | | | | | | |
| 1. Please complete the following for all Applicants in the aggregate:   |  |  |  |  |  | | --- | --- | --- | --- | --- | |  | **Current Aggregate AUM/AUA** | | **Total Number of Clients/Accounts** | | | **Investment Vehicle Type** | **Current** | **Prior 12 Months** | **Current** | **Prior 12 Months** | | Separate Account | **$** | **$** |  |  | | Registered Fund | **$** | **$** |  |  | | Unregistered Pooled Investment Vehicle (Excluding Real Estate Fund) | **$** | **$** |  |  | | Real Estate Fund | **$58,655,258.00** | **$** |  |  | | Other (Please specify) | **$** | **$** |  |  | | Total | **$** | **$** |  |  | | | | | | | | | | | | | | | |
| 2. Within the last 12 months, has any Applicant been involved in: | | | | | | | | | | | | | | |
| a. any anti-trust, copyright, creditor, or patent litigation or dispute? | | | | | | | | | | | Yes  No | | | |
| b. any civil or criminal action or administrative proceeding alleging a violation of any federal, state, local, or foreign law or regulation? | | | | | | | | | | | Yes  No | | | |
| c. any representative actions, class actions, or derivative suits? | | | | | | | | | | | Yes  No | | | |
| d. any other litigation or alternative dispute resolution proceeding with a customer, client, vendor, employee, or Executive? | | | | | | | | | | | Yes  No | | | |
| e. any regulatory inquiry, investigation, action, agreement, order, or memorandum? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to any of the above, please provide details (If additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 3. Within the last 12 months, has any federal, state, local, or foreign regulatory agency (including the Securities and Exchange Commission (“SEC”), the Department of Justice (“DOJ”), or the Department of Labor (“DOL”)) or any self-regulatory agency in which any Applicant is a member (including Financial Industry Regulatory Authority): | | | | | | | | | | | | | | |
| a. conducted an inquiry, inspection, investigation, examination, or made a general request for information of any Applicant? | | | | | | | | | | | Yes  No | | | |
| b. corresponded or communication with any Applicant? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to either of the above, please provide complete details, including copies of all communication or correspondence between the Applicants and the regulatory authority or agency (If additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 4. Within the last 12 months, did any Applicant conduct a mock regulatory compliance audit or utilize compliance consultants? | | | | | | | | | | | Yes  No | | | |
| 5. Pursuant to present privacy laws, do the Applicants maintain a comprehensive information-security program that is designed to protect the security, confidentiality, and integrity of personal information? | | | | | | | | | | | Yes  No | | | |
| If you answered “No” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 6. Within the last 12 months, have any of the Applicants received any complaints, claims, or been subject to litigation or alternative dispute resolution proceedings involving matters of privacy injury, identity theft, denial of service attacks, computer virus infections, theft of information, damage to third party networks, or the Applicants’ customers’ ability to rely on the Applicants’ network? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 1. **COVERAGE REQUESTS (To be completed by All Applicants only if applying for additional limits or new coverages)** | | | | | | | | | | | | | | |
| 1.Please answer this question only if the Applicant is applying for limits of insurance that exceed the expiring coverage currently written with CNA or applying for new coverages:   |  |  |  | | --- | --- | --- | | Coverage | Limit of Liability | Retention | | Investment Adviser Management Liability | $ | $ | | Investment Adviser Professional Liability | $ | $ | | Fund Management and Professional Liability | $ | $ | | Employment Practices Liability | $ | $ | | Fiduciary Liability (For Own Plans) | $ | $ | | | | | | | | | | | | | | | |
| **If applying for larger liability limits, please complete the following statement:** | | | | | | | | | | | | | | |
| None of the individuals to be insured under any Coverage Part has a basis to believe that any wrongful act, event, matter, fact, circumstance, situation, or transaction might reasonably be expected to result in or be the basis of a future claim? | | | | | | | | | | | Yes  No | | | |
| **Without prejudice to any other rights and remedies of CNA, any claim arising from any wrongful act, event, matter, fact, circumstance, situation, or transaction required to be disclosed is excluded from the portion of any renewal limit of liability that exceeds the expiring limit of liability in the proposed insurance.** | | | | | | | | | | | | | | |
| **Please Complete the Questions Below for the Lines of Coverage that the Applicant is Renewing** | | | | | | | | | | | | | | |
| **III. INVESTMENT ADVISER MANAGEMENT AND PROFESSIONAL LIABILITY**  To be completed by all Adviser and Private Fund Applicants | | | | | | | | | | | | | | |
| 1. Are you seeking coverage for any newly created or acquired Adviser entity? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please provide complete details, including the name of the entity, date of creation/ acquisition, and purchase price (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 2. Please provide the following information for each Adviser Applicant, including those addressed in question 1 above (if additional rows are needed, please add them):   |  |  |  |  | | --- | --- | --- | --- | | Adviser Applicant Name | Number of Directors | Number of Officers | Number of Security Interest Holders | |  |  |  |  | |  |  |  |  | | | | | | | | | | | | | | | |
| 3. Are any of the Adviser Applicants currently involved in, considering, or contemplating, or have they been involved in, considered, or contemplated any of the following during the past 12 months: | | | | | | | | | | | | | | |
| a. merger, consolidation, acquisition, bankruptcy, reorganization, or Initial Public Offering? | | | | | | | | | | | Yes  No | | | |
| b. changes to ownership of more than ten percent (10%)? | | | | | | | | | | | Yes  No | | | |
| c. changes to accountants, auditors, or external general counsel? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to any of the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 4. Have any of the Adviser Applicants experienced any changes in the board of directors or senior management within the last 12 months for reasons other than as a result of death or retirement? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 5. In the last 12 months, has any Adviser Applicant (or any of its subsidiaries or affiliated entities applying for coverage) been advised by its outside auditors that there are material weaknesses in its/their system of internal control? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 6. Please provide the percentage of AUM (separate accounts) invested in each type of investment: | | | | | | | | | | | | | | |
| Asset Backed Securities % | | | | | High Yield Bond/Leveraged Loans (including CLOs) ***%*** | | | | | | | | | |
| Commodities % | | | | | Life Insurance or Related Products % | | | | | | | | | |
| Cryptocurrencies and/or Digital Assets % | | | | | Oil & Gas E&P % | | | | | | | | | |
| Direct Assets (Art, Timber, Jewelry, etc.)% | | | | | Private or Non-Traded REITs % | | | | | | | | | |
| Direct Real Estate Private Placements **100**% | | | | | Private Placements % | | | | | | | | | |
| Derivatives (Other) % | | | | | Other **%** (please specify ) | | | | | | | | | |
| Hedge Funds & LPs % | | | | |  | | | | | | | | | |
| 7. a. Does any Adviser Applicant, Subsidiary, or any affiliated entity (or any employee or executive) render any services, other than investment advisory services, to its clients?  *(Please note that the Policy as written will determine the coverage available for the above services).* | | | | | | | | | | | Yes  No | | | |
| b. If you answered “Yes” to the above, please provide the percentage of revenue derived from each type of service: | | | | | | | | | | | | | | |
| Broker/Dealer Services % | | | | | Trustee Services % | | | | | | | | | |
| Investment Banking Services % | | | | | Insurance Agency % | | | | | | | | | |
| Manager/General Partner/Syndicator of Limited Partnerships % | | | | | Other Services % (please specify ) | | | | | | | | | |
| c. Was the performance of any of these services added/commenced within the last 12 months? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please provide complete details of new services (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 8. Are client transactions executed by an in-house or affiliated broker/dealer? | | | | | | | | | | | Yes  No | | | |
| 9. Please provide the following information for any separate accounts lost by all Adviser Applicant(s) during the past 12 months: | | | | | | | | | | | | | | |
| 1. Total asset value of accounts lost: $**0** | | | | | | | | | | | | | | |
| b. Total Number of accounts lost: | | | | | | | | | | | | | | |
| If the percentage of total assets listed above is greater than 10%, please provide full details surrounding the loss of said accounts: | | | | | | | | | | | | | | |
| 10. Within the last 12 months, has any Adviser Applicant, Subsidiary, or affiliated entity (or its/their employees or executives) sponsored any Special Purpose Acquisition Company (“SPAC”), or is any Applicant Adviser, Subsidiary, or affiliated entity (or its/their employees or executives) considering or contemplating sponsoring a SPAC in the next 12 months? | | | | | | | | | | | Yes  No | | | |
| 11. **REQUIRED ATTACHMENTS** | | | | | | | | | | | | | | |
| a. Most recent annual financial statements (including balance sheet and income statement); and | | | | | | | | | | | | | | |
| b. Copies of most recent SEC or other regulatory inspection report, and any responses by management. | | | | | | | | | | | | | | |
| **IV. COST OF CORRECTIONS COVERAGE (To be completed only if seeking cost of corrections coverage)** | | | | | | | | | | | | | | |
| 1. Please provide the complete the following information for the prior 12 months: | | | | | | | | | | | | | | |
| Average number of trades completed daily: | | | |  | | | Average value of daily trades: | | | | | | **$** | |
| 2. In the prior 12 months, have any Applicants experienced any trade errors in excess of $25,000? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above: | | | | | | | | | | | | | | |
| a. Did any investors suffer a negative financial impact as a result of such material trade error? | | | | | | | | | | | Yes  No | | | |
| b. Please provide full details for each trade error over $25,000, including the circumstances surrounding the error, the value of the negative financial impact suffered by investors, and any corrective measures the Applicant took (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 3. **REQUIRED ATTACHMENTS**: | | | | | | | | | | | | | | |
| For each Applicant seeking Cost of Corrections coverage, please provide a copy of each Applicant’s trade error log for the last 12 months for any trade error over $25,000. | | | | | | | | | | | | | | |
| **V. FUND MANAGEMENT AND PROFESSIONAL LIABILITY COVERAGE**  **(To be completed only if Applicant is seeking Fund Management and Professional Liability coverage)** | | | | | | | | | | | | | | |
| **A. GENERAL FUND INFORMATION (to be completed by all Fund Applicants)** | | | | | | | | | | | | | | |
| 1.Within the last 12 months, has any Fund Applicant experienced any bankruptcy, liquidation, wind-down, or recapitalization? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 2. Within the last 12 months, has any Fund Applicant experienced net redemptions of more than 20%? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 3. Are there any Outside Service Providers (administrator, distributor, or transfer agent) applying for coverage under the Policy? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please complete the following chart (if additional rows are needed, please add them):     |  |  |  | | --- | --- | --- | | Name | Relationship to the Applicant | Description of activities engaged in | |  |  |  | | | | | | | | | | | | | | | |
| 4. Does any Fund Applicant receive commissions, fees, reciprocity, or revenue from any outside service providers (even if such outside service provider is not applying for coverage)? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| **B. REGISTERED FUNDS (to be completed by all Registered Fund Applicants)** | | | | | | | | | | | | | | |
| 1. Are you seeking coverage for any Registered Fund Applicants that have been created or acquired within the last 12 months? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please complete the following for each new Registered Fund Applicant:   |  |  |  |  |  | | --- | --- | --- | --- | --- | | Name of Fund | Principal Business Address | Formation Date | Current Net Assets  ($mm) | Prior Year Net Assets ($mm) | |  |  |  | $ | $ | |  |  |  | $ | $ | | | | | | | | | | | | | | | |
| 2. Please indicate the percentage of total Registered Fund sales (for all Registered Fund Applicants) accounted for by each distribution method utilized below: | | | | | | | | | | | | | | |
| a. Third-party or Independent broker/dealer **%** | | | | | | | | | | | | | | |
| b. In-house, affiliated, or captive broker/dealer **%** | | | | | | | | | | | | | | |
| c. Direct-marketing **%** | | | | | | | | | | | | | | |
| 3. Within the last 12 months, has any Registered Fund Applicant had positions that are valued at “fair value”? | | | | | | | | | | | | Yes  No | | |
| 4.  **REQUIRED ATTACHMENTS:** | | | | | | | | | | | | | | |
| For each Registered Fund Applicant, please provide the following: | | | | | | | | | | | | | | |
| a. Most recent Annual Report; and | | | | | | | | | | | | | | |
| b. Most recent SEC or other regulatory inspection report, and any responses by management. | | | | | | | | | | | | | | |
| C. **PRIVATE FUNDS (to be completed by all Private Fund Applicants)** | | | | | | | | | | | | | | |
| 1. Are you seeking coverage for any Private Fund Applicants created or acquired within the last 12 months? | | | | | | | | | | | | Yes  No | | |
| If you answered “Yes” to the above, please provide the Offering Document and/or Private Placement Memorandum for each newly created Private Fund. | | | | | | | | | | | | | | |
| 2. Within the last 12 months, have any Private Fund Applicants been closed or liquidated? | | | | | | | | | | | | Yes  No | | |
| If you answered “Yes” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 3. Please complete the following for all Private Fund Applicants (if additional rows are needed, please add them):   |  |  |  |  | | --- | --- | --- | --- | | Name of Fund | Maximum Leverage utilized in past 12 months | Current Fund Assets  ($mm) | Prior Year Fund Assets ($mm) | |  |  | $ | $ | | | | | | | | | | | | | | | |
| 4. Please provide the percentage of assets invested in all Private Funds for the following: | | | | | | | | | | | | | | |
| |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | a. High net worth individuals | **%** | | Fund of Funds | | **%** | | Foundations/Endowments | **%** | | Pensions | | **%** | | Other Institutional Investors | | **%** | | | | | b. US Investors | | % | | Non-US (foreign based) investors | % | | | | | | | | | | | | | | | |
| 5. Has any Private Fund Applicant experienced investment losses of 20% or more of net asset value over 10 business days? | | | | | | | | | | | | Yes  No | | |
| If you answered “Yes” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 6. a. Has any Private Fund Applicant had a margin default in the last 12 months? | | | | | | | | | | | | Yes  No | | |
| b. Has any counterparty increased margin requirements by more than 20%? | | | | | | | | | | | | Yes  No | | |
| If you answered “Yes” to either of the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | | | | | |
| 7. Within the last 12 months, has any Private Fund Applicant secured or maintained board representation on companies in which it is invested? | | | | | | | | | | | | Yes  No | | |
| If you answered “Yes” to the above, please complete the following (if additional rows are needed, please add them):   |  |  |  | | --- | --- | --- | | Name of company | Number of board seats | Names of individuals serving on the board | |  |  |  | | | | | | | | | | | | | | | |
| 8. Please indicate the percentage of total Private Fund sales accounted for by each distribution method utilized below: | | | | | | | | | | | | | | |
| a. Third-party or Independent broker/dealer **%** | | | | | | | | | | | | | | |
| b. In-house, affiliated, or captive broker/dealer **%** | | | | | | | | | | | | | | |
| c. Direct-marketing **%** | | | | | | | | | | | | | | |
| I. Do any Private Fund Applicants utilize expert networks? | | | | | | | | | | | | Yes  No | | |
| 9. **REQUIRED ATTACHMENTS:** | | | | | | | | | | | | | | |
| For each Private Fund Applicant, please provide the following: | | | | | | | | | | | | | | |
| a. Most recent audited financials; and | | | | | | | | | | | | | | |
| b. Most recent monthly or quarterly LP report | | | | | | | | | | | | | | |
| **VI. EMPLOYMENT PRACTICES LIABILITY (to be completed only if Applicants are renewing Employment Practices Liability Coverage)** | | | | | | | | | | | | | | |
| **A**. Have the Applicants adopted and distributed to its employees/partners an employment handbook or written policies, procedures, or guidelines that include the following: | | | | | | | | | | | | | | |
| a. Equal employment opportunity? | | | | | | | | | | | Yes  No | | | |
| b. Prevention of discrimination in the workplace? | | | | | | | | | | | Yes  No | | | |
| c. Prevention of harassment, including sexual harassment, in the workplace? | | | | | | | | | | | Yes  No | | | |
| d. Accommodation for the disabled as required by the Americans with Disabilities Act? | | | | | | | | | | | Yes  No | | | |
| **2.** Applicant Employee/Partner information: | | | | | | | | | | | | | | |
| a. Total number of employees/partners: | | | | | | | | | | | | | | |
| i. Current: | |  | | | | | | | | | | | | |
| ii. 1 year ago: | |  | | | | | | | | | | | | |
| How many current employees/partners are located in California? | | | | | | | | | | | | | | |
| How many current employees/partners are located in New Jersey? | | | | | | | | | | | | | | |
| How many current employees/partners are located in New York? | | | | | | | | | | | | | | |
| How many independent contractors? | | | | | | | | | | | | | | |
| b. Of the total employees/partners, how many are: | | | | | | | | | | | | | | |
| i. Full time: | |  | | | | | | | | | | | | |
| ii. Part time: | |  | | | | | | | | | | | | |
| c. What percentage of current employees/partners have annual compensation (wages or salaries plus bonuses) of: | | | | | | | | | | | | | | |
| i. $100,000 or less: | | | | | | | | | | | % | | | |
| ii. $100,001 to $250,000: | | | | | | | | | | | % | | | |
| iii. $250,001 to $500,000: | | | | | | | | | | | % | | | |
| iv. $500,001 to $1,000,000: | | | | | | | | | | | % | | | |
| v. $1,000,001 to $5,000,000 | | | | | | | | | | | % | | | |
| vi. $5,000,001 or greater | | | | | | | | | | | % | | | |
| e. How many employees/partners, have been involuntarily terminated in the last 2 years? | | | | | | | | | | | | | | |
| i. Last year: | | |  | | | | | | | | | | | |
| ii. Before last year: | | |  | | | | | | | | | | | |
| f. Have there been, or will there be, any layoffs, staff reductions, or facility closings in the preceding or next 12 months? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” above, what percentage of workforce will be affected?       % | | | | | | | | | | | | | | |
| g. In the last 12 months, has any Applicant completed a review of its compensation structure to determine whether there are any disparities in compensation to members of any protected class? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | |  | | | |
| h. In the last 12 months, has any Applicant completed a review of diversity in its workforce and in its management ranks, specifically as respect to hiring, firing, compensating, promoting, assigning jobs, and providing training opportunities? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” to the above, please provide complete details (if additional space is needed, please attach separately): | | | | | | | | | | |  | | | |
| i. Has an attorney with expertise in employment and labor law updated the Applicant’s employee handbook, human resources documents, guidelines, or procedures in the last 12 months? | | | | | | | | | | | Yes  No | | | |
| j. Have persons supervising employees received updated information and training on human resource policies, including performance appraisals, discipline, or workplace harassment in the last 12 months? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” above, please provide details: | | | | | | | | | | | | | | |
| k. Does any Applicant use or collect biometric information from employees including, but not limited to, a retina or  iris scan, fingerprint, voiceprint, or a scan of the hand or face geometry? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” above: | | | | | | | | | | | | | | |
| i. Do the Applicants have written policies, guidelines, or procedures addressing the collection, storage, use, retention, and destruction of biometric information? | | | | | | | | | | | Yes  No | | | |
| ii. Do the Applicants receive written or electronic acknowledgment confirming employees have received a copy of the written policies, guidelines, or procedures addressing the collection, storage, use, retention, and destruction of biometric information? | | | | | | | | | | | Yes  No | | | |
| **Reduction-In-Force (RIF) Section**  (to be completed only if the Applicant answered “Yes” to question 2.f. and the reduction in work force is greater than 10%) | | | | | | | | | | | | | | |
| 1. Please provide the following details:  |  |  |  | | --- | --- | --- | | Date of Workforce Reduction | Number of Employees Affected | Reason for Workforce Reduction | |  |  |  | |  |  |  | |  |  |  | | | | | | | | | | | | | | | |
| **B.** Was a disparate impact analysis completed? | | | | | | | | | | | Yes  No | | | |
| **C.** Did the Applicant consult with outside counsel conversant with employment and labor laws regarding the reduction in workforce? | | | | | | | | | | | Yes  No | | | |
| **D.** Does the Applicant have a formal out-placement program for employees terminated as a result of downsizing, layoffs, or reduction-in-force? | | | | | | | | | | | Yes  No | | | |
| **E.** Was or will severance compensation (be) available to all affected employees? | | | | | | | | | | | Yes  No | | | |
| **F.** Were or are the affected employees required to sign a release for the severance package? | | | | | | | | | | | Yes  No | | | |
| **VI. FIDUCIARY LIABILITY COVERAGE PART (For Own Plans) to be completed only if Applicants are renewing Fiduciary Liability Coverage)** | | | | | | | | | | | | | | |
| 1. Please indicate the type of plans for which insurance is requested:  |  |  |  |  | | --- | --- | --- | --- | | \*Plan Type | Name of Plan(s) | Assets | Total Plan Participants | |  |  | $ |  | |  |  | $ |  | |  |  | $ |  | |  |  | $ |  |   \*Plan Types: DB=Defined Benefit; DC=Defined Contribution; W=Welfare Benefit; E=ESOP (Employee Stock Ownership Plan); K=KSOP (Combined 401k/Employee Stock Ownership Plan); O=Other | | | | | | | | | | | | | | |
| **2.** Applicant Employer Identification Number (EIN): | | | | | | | | | | | | | | |
| **3.** Have there been any changes to any plan? | | | | | | | | | | | Yes  No | | | |
| **4.** Does any plan hold employer securities or offer an investment in employer securities? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” above, please complete the ESOP/KSOP Questionnaire and submit with the required additional information listed. | | | | | | | | | | | | | | |
| **5.** During the past 12 months, or during the next 12 months, has (will) any plan for which coverage is requested: | | | | | | | | | | | | | | |
| a. not conform with the standards of eligibility, participation, vesting, and other provisions of the Employee Retirement Income Security Act of 1974 (ERISA) as amended or similar laws? | | | | | | | | | | | Yes  No | | | |
| b. been (be) terminated, suspended, merged, dissolved, or converted to a cash balance? | | | | | | | | | | | Yes  No | | | |
| c. been (be) amended to a plan that has resulted in a reduction of benefits? | | | | | | | | | | | Yes  No | | | |
| d. been the subject of an investigation by the Department of Labor (DOL), Internal Revenue Service (IRS), or any other domestic or foreign agency? | | | | | | | | | | | Yes  No | | | |
| e. had (have) any outstanding or delinquent plan contributions? Or are any plan loans, leases, or debt obligations considered uncollectable or in default? | | | | | | | | | | | Yes  No | | | |
| f. had (have) any assessment of fees, fines, or penalties under a voluntary compliance resolution program or similar voluntary settlement program administered by the IRS, DOL, or other government authority against any plan? | | | | | | | | | | | Yes  No | | | |
| If you answered “Yes” for any of the above, please attach details. | | | | | | | | | | | | | | |
| **6.** What percentage of plan assets are in proprietary funds? | | | | | | | | | | | **%** | | | |
| **7.** Please attach the following if the Applicant sponsors a Defined Benefit Plan, ESOP, KSOP, or plan that holds/invests in employer securities: | | | | | | | | | | | | | | |
| * 1. Most recent 5500 and plan audited financial statements; and | | | | | | | | | | | | | | |
| * 1. Most recent independent actual valuation of the employer stock (complete copy). | | | | | | | | | | | | | | |
| **MATERIAL CHANGE**  The Applicant acknowledges and agrees to a continuing obligation to report as soon as practicable any material changes in any responses within this Application, including all disclosures and attachments, after the signing of the Application and prior to issuance of the policy, if issued, and further acknowledges that the insurer shall have the right to withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance. (**For Maine residents only:** The Company cannot withdraw any outstanding quotations and/or authorizations or agreement to bind the insurance.) | | | | | | | | | | | | | | |
| 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 or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES (**For District of Columbia residents only:** 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 an insurance benefit if false information materially related to a claim was provided by the applicant.) (**For Florida residents only:** 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.) (**For Kansas residents only:** Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.) (**For Louisiana residents only:** 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.) (**For Maine residents only:** 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.) (**For Maryland residents only:** Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.) (**For New Jersey Residents Only:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.) (**For New York residents only:** 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 or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and may be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.) (**For Ohio residents only:** 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.) (**For Oklahoma residents only**: 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.) (**For Oregon residents only**: 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 or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, may have committed a fraudulent insurance act, which may be a crime and may be subject to prosecution, civil fines and criminal penalties.) (**For Pennsylvania residents only:** 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.) (**For Puerto Rico residents only:** 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 other benefit, or presents more than one claim for the same damage or loss, will incur a felony, and upon conviction, shall be sanctioned for each violation with a fine of not less than five thousand dollars ($5,000) nor more than ten thousand dollars ($10,000); or imprisonment for a fixed term of three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established imprisonment 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.) (**For Rhode Island residents only:** 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.) (**For Tennessee residents only**: 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 or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and may be subject to civil fines and criminal penalties. Penalties include imprisonment, fines and denial of insurance benefits.) (**For Vermont residents only**: 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 or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which may be a crime and may be subject to civil fines and criminal penalties.) (**For Virginia residents only:** 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.)(**For Washington residents only:** 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.(**For West Virginia residents only**: 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.) | | | | | | | | | | | | | | |
| **Applicant:**  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Signature and Title\* Printed Name of Authorized Representative  Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | | | | | | | | | | | | | |
| **\***This Application must be signed by the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, General Counsel, or Risk Manager (or the Director of Human Resources [for Employment Practices Liability coverage] or the Director of Benefits [for Fiduciary Liability coverage]) of the Applicant acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance. Please print and sign this application.  *This product will be underwritten by one of the CNA property/casualty insurance companies. CNA is a registered trademark of CNA Financial Corporation. Certain CNA Financial Corporation subsidiaries use the “CNA” trademark in connection with insurance underwriting and claims activities. Copyright © 2019 CNA. All rights reserved.* | | | | | | | | | | | | | | |