



PRIVATE SOLUTION PROPOSAL FORM

NOTICE: THE LIABILITY COVERAGE PARTS A-C OF THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE DURING THE POLICY PERIOD. NO COVERAGE EXISTS FOR CLAIMS MADE AFTER THE END OF THE POLICY PERIOD UNLESS, AND TO THE EXTENT THAT, THE DISCOVERY PERIOD APPLIES. COSTS OF DEFENSE UNDER LIABILITY COVERAGE PARTS A-C ARE SUBJECT TO ANY APPLICABLE RETENTION. COSTS OF DEFENSE INCURRED UNDER LIABILITY COVERAGE PARTS A-C IN EXCESS OF ANY APPLICABLE RETENTION SHALL REDUCE THE LIMIT OF LIABILITY AVAILABLE TO PAY ALL OTHER LOSS UNLESS OTHERWISE MODIFIED BY WRITTEN ENDORSEMENT.

A. PROPOSAL FORM INSTRUCTIONS

To obtain a quote for insurance, simply follow these steps:

1. Fill out the **General Information Section**.
2. Fill out a Proposal Form Section for each Coverage Part for which a quote is requested (**Proposal Form Sections A-D**). These sections follow this General Information Section. When filling out the Proposal Form Sections, be sure to include all requested information and attachments.
3. Fill out the **Summary Information Section**. Be sure to sign and date this form on the last page.

B. REQUESTED COVERAGE

Liability Coverage Parts

Non-Liability Coverage Part

Section A: Directors' and Officers' Liability

Section D: Crime

Section B: Employment Practices Liability

Section C: Fiduciary Liability

C. APPLICANT INFORMATION

1. Name of Company: _____

2. Street Address: _____

3. City, State, Zip: _____

4. Website address: _____

5. The Officer designated as agent of the Company and of all Insured Persons to receive any and all notices from the Insurer or their authorized representatives concerning this insurance: Email Address: _____

Name: _____ Title: _____

6. The Company has continuously operated since: _____ State of Incorporation: _____

7. Nature of business: _____

8. Primary SIC Code(s): _____

9. By attachment to this Proposal Form, provide the name, percentage of direct or indirect ownership, and nature of operations of all Subsidiaries (including Subsidiaries of Subsidiaries). **If “None”**, please indicate: None

IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR SUBSIDIARIES UNLESS LISTED IN THE ATTACHMENT REQUESTED ABOVE.

10. If the Applicant is owned by another company, indicate the name and principal address of the other company:

11. Current number of employees: _____

12. During the last three years, has the Company or its Subsidiaries been involved, or is the Company or its Subsidiaries presently involved or contemplating becoming involved, during the next 12 months, in any of the following:
- | | | |
|--|-----|----|
| (a) any actual or proposed merger, acquisition, or divestment? | Yes | No |
| (b) sale, distribution or divestiture of any subsidiary or division which accounted for 10% or more of annual revenue? | Yes | No |
| (c) bankruptcy proceeding, reorganization or other arrangement with creditors under federal or state law? | Yes | No |
| (d) change in outside auditors? | Yes | No |
| (e) downsizing, rightsizing, layoffs, or any other reduction in number of employees? | Yes | No |
| (f) registration for a public offering or private placement of securities? | Yes | No |

If “Yes” to any of the above, provide details of each transaction in an attachment to this Proposal Form.

13. Does the Company perform any services for others for a fee? Yes No

If “Yes”, please describe:

14. Does the Company act as a general partner or partnership manager? Yes No

If “Yes”, please describe:

D. FINANCIAL INFORMATION

Please indicate the following as it relates to the Applicant’s fiscal year end (FYE) Indicate negative figures with “()”	Most Recent FYE (Month / Year) /
1. Current Assets	
2. Total Assets	
3. Current Liabilities	
4. Long Term Debt	
5. Retained Earnings	
6. Revenues	
7. Net Income (Net Loss)	
8. Is the Company in compliance with all debt and/or loan covenants? If “No” please attach a complete explanation.	Yes No N/A

Note: If the applicant meets any of the criteria below, please submit year-end audited financial statements and the most recent interim financial statements:

- More than 500 employees
- Less than 2 years of operations
- Operating at a net loss

The Company must complete this General Information Section

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Section A
Directors' and Officers' Liability

PRIVATE SOLUTION PROPOSAL FORM

NAME OF COMPANY: _____

1. Number of shares outstanding: _____
2. Number of shareholders/members: _____
3. Please complete the following table:

Directors and Officers and their respective percentage of shares owned (directly or beneficially); and

Non-director and non-officer shareholders/members who directly or beneficially hold 5% or more of any class of the Company's stock, the percentage of shares owned by each, and if applicable, indicate whether the shareholder has representation on the board.

If none, so indicate:

Director or Officer shareholders/members	% of voting shares owned	
Non-director or Non-Officer shareholders/members	% of voting shares owned	Board Representation "Yes" or "No"

4. Have there been any changes in senior management (Chairman, President, Chief Executive Officer, Chief Financial Officer, etc.) in the last three years for reasons other than death or retirement at the normal retirement age? Yes No
If "Yes", provide details in an attachment to this Proposal Form.

NOTICE: Please attach the following additional required underwriting information:

If applicable, a copy of any offering memorandum filed within the past 12 months

Please Complete this Section only if requesting this Coverage Part.

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Section B
Employment Practices Liability

PRIVATE SOLUTION PROPOSAL FORM

NAME OF COMPANY: _____

1. Please complete the following table: **(Not required if Section D Crime has been completed)**

Total number of employees for last three years				Employee Turnover			
Year:				Year:			
Full Time				Terminated *(Involuntary)			
Part Time				Resigned (Voluntary)			
Total							

* Please list in a separate attachment all Officers that were involuntarily terminated in the past three years.

2. Number of workers in the following classifications in the previous 12 months: **(Not required if Section D Crime has been completed)**

Temporary		Seasonal	
Labor Unions		Leased	
Independent Contractors		Foreign domiciled	

3. Total salary expense for the most recent year-end: _____

4. Percentage of the Company's employees with salaries (including bonuses) greater than \$100,000: _____

5. List the three states with the largest number of employees:
 (1) State: _____ Number of employees: _____
 (2) State: _____ Number of employees: _____
 (3) State: _____ Number of employees: _____

6. Does the Company have a Human Resources Department? Yes No
If "No", describe how human resource functions are administered in an attachment to this Proposal Form.

7. Does the Company have a human resources manual? Yes No
If "Yes", does this manual contain policies and procedures addressing the following areas:

(a) Compliance with the Americans with Disabilities Act?	Yes	No
(b) Compliance with Title VII of the U.S. Civil Rights Act of 1964 and the 1991 Civil Rights Act?	Yes	No
(c) Prohibited discriminatory practices in hiring, promotion, and compensation?	Yes	No
(d) Employee performance evaluations?	Yes	No
(e) Employee disciplinary actions and discharge?	Yes	No
(f) Sexual harassment and the work environment?	Yes	No
(g) Employee grievance reporting and resolution processes?	Yes	No
(h) Employment-at-will?	Yes	No

If "No" to any of the above, please provide details in an attachment to this Proposal Form.

- | | | | |
|----|--|-----|----|
| 8. | Do all managerial and supervisory personnel: | | |
| | (a) have a copy of the human resources manual? | Yes | No |
| | (b) receive training in the implementation of these policies and procedures? | Yes | No |
| | (c) review all terminations with human resources and in-house or outside counsel? | Yes | No |
| | If "No", explain how human resources policies and procedures are communicated to managers and supervisors in an attachment to this Proposal Form. | | |
| 9. | Are all employees provided with a handbook that addresses the areas detailed in item 7 above? | Yes | No |
| | If "No", explain how human resources policies and procedures are communicated to employees in an attachment to this Proposal Form. | | |

OPTIONAL THIRD PARTY LIABILITY COVERAGE

Please complete this section only if requesting this coverage. Completion of this section does not guarantee coverage.

- | | | | |
|----|---|-----|----|
| 1. | Does the Company have established policies or procedures | | |
| | (a) Outlining employee conduct when dealing with third parties, including non-discrimination and non-harassment statements? | Yes | No |
| | (b) For responding to complaints of harassment, discrimination or civil rights violations from third parties? | Yes | No |
| 2. | What percentage of the Company's employees work at customer locations or perform a majority of their functions off-site? _____% | | |

NOTICE: Please attach the following additional required underwriting information:

- Employee Handbook**
- Employment Application Form**
- Most Recent EEO-1 and Third-party policies and statements**

Please Complete this Section only if requesting this Coverage Part.

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Section C
Fiduciary Liability

PRIVATE SOLUTION PROPOSAL FORM

NAME OF COMPANY: _____

1. Please complete the following table regarding the Company's employee benefit plan(s).

Plan Name	Type of Plan*	Plan Assets (current year)	Plan Assets (prior year)	Number of Plan Participants

If additional space is required, please provide details by separate attachment.

*Types of Plans: Health and Welfare Plan = HWP Employee Stock Ownership Plan = ESOP
 Defined Contribution Plan = DCP Excess Benefit Plan = EBP
 Defined Benefit Plan = DBP Other, please explain: _____

2. Does any plan or trust hold any "employer securities" as defined by ERISA? Yes No
 If "Yes":

(a) List each plan and the percentage of the Company's securities held by each such plan or trust? _____

(b) Is the trustee of each such plan independent of the Company? Yes No

(c) Who has the voting rights for the shares of stock in the plan or trust? _____

3. Does any plan employ the services of:

- | | | |
|--|-----|----|
| (a) An investment management or consulting firm? | Yes | No |
| (b) A certified public accounting firm? | Yes | No |
| (c) An outside law firm? | Yes | No |
| (d) An actuarial firm? | Yes | No |

If “Yes”, to (d), provide:

date of latest actuarial assessment: _____

did the assessment contain qualifications? Yes No

If “Yes”, attach a copy of the assessment.

Were all the criticisms in the assessment corrected? Yes No

If “No”, attach an explanation.

4. If any plan does not employ the services of an independent investment manager, who is responsible for the investment decisions of that plan?
-

5. In the past three years:

(a) Has any plan been consolidated, merged or terminated? Yes No

(b) Has there been any amendment to any plan that has resulted in a change or reduction in benefits to participants including the change to a cash-balance plan? Yes No

If “Yes”, provide details including the date of such transaction, the date of any asset distribution or transfer, whether benefits were secured through the purchase of annuities, guaranteed investment contracts or other similar investments, and, if so, the name of the investment sponsor, and whether any plan assets reverted to any party other than plan participants.

6. Does the Company or any Subsidiary expect any of the events set forth in question 5 above to occur in the next 12 months? Yes No

If “Yes”, provide details by attachment.

7. Does each plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), comply with the requirements of ERISA relating to eligibility, participation, vesting, funding and all other matters? Yes No

If “No”, provide details by attachment.

8. At any time during the last five years has any plan had a funding deficiency? Yes No

9. At this time are there any delinquent contributions? Yes No

10. In the past 5 years, has there been any “reportable event” as defined in ERISA with respect to any plan? Yes No

11. Are there any transactions involving plan assets involving anyone known to be a party-in-interest? Yes No

12. Has any plan(s) invested in more than 10% of any corporation or partnership? Yes No

If “Yes” to any question 8 - 12, provide details by attachment.

13. Has the Company in the past, or does the Company anticipate in the next 12 months, allowing for enhanced benefits to employees electing early retirement if elected during a specified time period? Yes No

If “Yes”, provide details including whether such plans have been disclosed to all employees.

NOTICE: Please attach the following additional required underwriting information:

Most recently filed Form 5500 for all Plans listed in response to Question 1

Please Complete this Section only if requesting this Coverage Part.

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Section D
Crime

PRIVATE SOLUTION PROPOSAL FORM

NAME OF COMPANY: _____

When answering the following questions, please consider all subsidiaries, affiliates and locations, including those outside of the United States.

A. General Information

1. What are your business hours? _____
2. What is the average number of employees on duty? _____
3. Does the Company have retail operations? If **Yes**, please provide the number of locations. _____
4. What is the frequency of deposits? _____
5. Is a night depository used? Yes No

B. Audit Procedures

1. Are your annual financial statements audited by a public accountant? Yes No
2. Is the public accountant's opinion in accordance with GAAP _____ or GAAS _____ ?
and so certified? Yes No
3. Have the outside auditors stated there are no material weaknesses in the Company's system of internal controls? If **No**, please attach the CPA letter to management and management's response. Yes No

C. Internal Controls

1. Are bank accounts reconciled monthly? Yes No
2. By someone who is not authorized to deposit or withdraw? Yes No
3. Is countersignature of all checks required?
Above what amount? \$ _____ Yes No
4. Do all vouchers or other supporting receipts accompany all checks to be signed? Yes No
5. Are vouchers/receipts stamped "PAID" when checks are signed to prevent re-use? Yes No
6. Do you maintain a list of approved vendors? Yes No
7. Do you have a system to detect payment to fictitious suppliers? Yes No
8. Are your systems designed so that no single employee can control a transaction from beginning to end (e.g. approve a voucher, request and sign a check)? Yes No
9. Do you screen your employees for prior acts of dishonesty? Yes No
10. When screening new employees: Yes No
Are credit reports checked? Yes No
Are drug tests performed? Yes No

11. Are cash or credits on return purchases supervised by at least two persons? Yes No

If "No" to any of the above, please provide details in an attachment to this Proposal Form of any additional controls in place in lieu of the controls requested.

D. Supervision by Owner

1. Is there personal supervision of business activities on a daily basis by an Owner, Partner or Director? Yes No
2. Does that person:
- Deposit all cash receipts? Yes No
 - Sign or countersign all checks? Yes No
 - Reconcile all bank accounts? Yes No
 - Verify shipping and receiving activities? Yes No

E. Money-Securities Please enter the Exposure for each category. Amounts entered should be the maximum exposure.

Type	Money	Securities (Other Than Payroll Checks)	Checks (Excluding Retail Checks)	Payroll Checks	Money Overnight	Securities (In Bank/Safe Deposit)
Inside	\$	\$				
Outside	\$	\$				

Are Deposits made by Armored Car? Yes ___ No ___ or by an employee? Yes ___ No ___

F. Safe/Vault Note: You must have a safe if you store more than \$5,000 overnight.

Manufacturer	Label	Class	Door Type		Combination Locks			Thickness	
			Round	Square	Outer	Inner	Chest	Door	Wall

G. Premises/Safe Protection-Note: You must have a Central Station alarm if you store more than \$10,000 overnight.

What type of alarm(s) do you have at each of your premises?

- 1. Hold-up Alarm
- 2. Premises Alarm
- 3. Safe Alarm
- 4. Local Gong
- 5. Central Station Alarm
- 6. Police Connected Alarm

H. Internet Security

1. Do you have an Intrusion Detection System that identifies unauthorized access? Yes No
2. Do you have documented emergency procedures? Yes No
3. Has your computer system ever been invaded by a Hacker or Virus? Yes No
 If "Yes" when and what controls have been implemented to prevent further incidences? _____

I. Total Pension and Welfare Plan assets and contributions for the latest fiscal year: \$ _____

J. Employee Information (Not Required if Section B Employment Practices Liability has been completed)

Total number of employees for last three years				Employee Turnover			
Year:				Year:			
Full Time				Terminated (Involuntary)			
Part Time				Resigned (Voluntary)			
Total				Retired			
				Layoffs			

Number of workers in the following classifications in the previous 12 months

Temporary		Seasonal	
Labor Unions		Leased	
Independent Contractors		Foreign domiciled	

K. Requested Coverage

Please complete the following table including limit and deductible desired.

REQUESTED COVERAGE	LIMIT	DEDUCTIBLE
A. Coverage Part Limit of Liability (Optional)	\$	\$
B. Single Loss Limit of Liability for Each Insuring Agreement (Required)	\$	\$
• Insuring Agreement A. Employee Theft	\$	\$
• Insuring Agreement B. Forgery or Alteration	\$	\$
• Insuring Agreement C. Inside the Premises	\$	\$
• Insuring Agreement D. Outside the Premises	\$	\$
• Insuring Agreement E. Computer Fraud	\$	\$
• Insuring Agreement F. Money Orders and Counterfeit Paper Currency	\$	\$

Please Complete this Section only if requesting this Coverage Part.

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Summary Information

PRIVATE SOLUTION PROPOSAL FORM

A. PRIOR ACTIVITIES

1. Have there been during the last five years, or are there now pending, any civil, criminal, administrative or arbitration proceedings (including any proceeding initiated before the Equal Employment Opportunity Commission) brought against:
- | | | |
|---|-----|----|
| (a) the Company or its Subsidiaries? | Yes | No |
| (b) any person proposed for this insurance in their capacity as either Director, Officer, or employee of the Company or its Subsidiaries? | Yes | No |
| (c) the Employee Benefit Plans of the Company or its Subsidiaries? | Yes | No |
- If “Yes” to any of the above**, provide details in an attachment to this Proposal Form including the total defense costs, judgments and/or settlements.

IT IS AGREED THAT ANY CLAIM ARISING FROM ANY PRIOR OR PENDING PROCEEDING IS EXCLUDED FROM THE PROPOSED COVERAGE.

2. Have there been during the last three years any employee theft, burglary, robbery, forgery or any other crime losses, whether or not insured, that would fall within the scope of the Crime Coverage Part of this Policy? Yes No
- If “Yes”**, provide details in an attachment to this Proposal Form including the date of loss, description of loss, total amount of loss, and corrective action taken to prevent such loss from occurring in the future. If the loss was covered by another insurance policy, please include the Insurer’s name.

B. FALSE INFORMATION

Attention: Insureds in AR, CO, DC, FL, KY, LA, ME, NJ, NM, NY, OH, OK, PA, TN, and VA
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 may also be subject to a civil penalty.

(In New York, the civil penalty is not to exceed five thousand dollars and the stated value of the claim for each such violation.)

(In Colorado, 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 from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.)

(In Pennsylvania, 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 or concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.)

(In Maine and Washington, 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.)

C. MATERIAL CHANGE

If there is any material change in the answers to the questions in this Proposal Form prior to the inception date of any policy that may be issued, the Company must notify the Insurer in writing and any outstanding quotation or binder may be modified or withdrawn.

D. PRIOR INSURANCE

Current or Previous Executive Liability and Fidelity/Crime Insurance Coverages:

(a) Directors and Officers Liability:

Insurer	Limit	Retention	Premium	Policy Period
_____	_____	_____	_____	_____

(b) Fiduciary Liability:

Insurer	Limit	Retention	Premium	Policy Period
_____	_____	_____	_____	_____

(c) Employment Practices Liability (as separate policy or part of D&O or CGL policies):

Insurer	Limit	Retention	Premium	Policy Period
_____	_____	_____	_____	_____

(d) Fidelity/Crime Insurance

Insurer	Limit	Retention	Premium	Policy Period
_____	_____	_____	_____	_____

In regard to the policies listed above:

- (a) has any claim been made or has any notice been given to any insurer? Not Applicable Yes No
- (b) has any insurer cancelled or non-renewed any of the above coverages? Not Applicable Yes No

If “Yes” to any of the above, provide details in an attachment to this Proposal Form.

**E. CONTINUITY OF COVERAGE AND PRIOR KNOWLEDGE
(NOTE: THIS APPLIES TO THE LIABILITY COVERAGE PARTS ONLY)**

1. For any Liability Coverage Part for which the Company currently has insurance coverage, the Company may request continuity of coverage. If continuity of coverage is requested for any Liability Coverage Part, for each such coverage part, indicate the coverages currently purchased on the following chart.

Liability Coverage Parts	Coverage is currently purchased and continuity is requested? “Yes” or “No”	Current Limit of Liability	Current Insurer	Larger Limit Requested
Directors’ and Officers’ Liability		\$		\$
Insured Entity Liability		\$		\$
Employment Practices Liability		\$		\$
Third Party Liability		\$		\$
Fiduciary Liability		\$		\$

Note: The Company must complete question 2, the “Prior Knowledge Question” below if the Company answered “No” to any Liability Coverage Parts listed above, or the Company is requesting larger limits of liability. The Prior Knowledge Question below will only apply to those coverages not currently maintained and any increased limits of liability requested.

2. Is the undersigned or any Director or Officer proposed for this insurance aware of any fact, circumstance or situation involving the Company or its Subsidiaries, the Directors or Officers of the Company or its Subsidiaries, or the Plans of the Company or its Subsidiaries which they have reason to believe might result in any future Claim under the Policy to which this Proposal Form will be attached? Yes No
- If “Yes”, please provide details in an attachment to this Proposal Form.**

IT IS AGREED THAT IF KNOWLEDGE OF ANY SUCH FACT, CIRCUMSTANCE OR SITUATION EXISTS, ANY CLAIM SUBSEQUENTLY ARISING THEREFROM SHALL BE EXCLUDED FROM COVERAGE.

The undersigned Officer of the Company declares that to the best of his or her knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information from each and every Director and Officer proposed for this insurance to facilitate the proper and accurate completion of this Proposal Form. The undersigned further agrees that if any significant adverse change in the condition of the applicant is discovered between the date of this Proposal Form and the effective date of the Policy, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the Insurer immediately. The signing of this Proposal Form does not bind the undersigned to purchase the insurance.

With respect to any Liability Coverage Part, it is agreed by the Company and the Insured Persons that the particulars and statements contained in this Proposal Form and any information provided herewith (which shall be on file with the Insurer and be deemed attached hereto as if physically attached hereto) are the basis of this Policy and are to be considered as incorporated in and constituting a part of this Policy. It is further agreed by the Company and the Insured Persons that the statements in this Proposal Form or any information provided herewith are their representations, they are material and this Policy is issued in reliance upon the truth of such representations; provided, however, that except for material facts or circumstances known to the person who signed this Proposal Form, any misstatement or omission in this Proposal Form or information provided herewith in respect of a specific Wrongful Act by a particular Insured Person or their cognizance of any matter which they have reason to suppose might afford grounds for a future Liability Claim against them shall not be imputed to any other Insured Person for purposes of determining the validity of this Policy as to such other Insured Person.

This Proposal Form must be signed by the Chairman of the Board, President, Chief Executive Officer, Chief Operating Officer, or Chief Financial Officer of the Company.

Signature	Title	Date
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NOTE: This Proposal including any material submitted herewith shall be treated in strictest confidence.

Please submit this Proposal Form including appropriate documentation to:
Great American Insurance Companies, Executive Liability Division, P.O. Box 66943, Chicago, IL 60666

The Company must complete this Summary Information Section