

Lexington Insurance Company

A CAPITAL STOCK COMPANY Wilmington, Delaware

Administrative Office
100 Summer Street
Boston, Massachusetts 02110

DIRECTORS, OFFICERS and COMPANY LIABILITY INSURANCE including EMPLOYMENT PRACTICES and SECURITIES LIABILITY INSURANCE

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 RETENTION AMOUNT.

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

I. General Information

1. Name and address of Applicant:
2. State of Incorporation:
3. Date of Incorporation:
4. Type of Business Entity (please check applicable description);
Corporation___ Limited Liability Company___ Sole Proprietorship___
501(c) Not-for-Profit___ Other (please specify)_____
5. Applicant has been continually operating since:
6. Nature of business:
7. Number of locations:
8. Name and address of Parent Corporation (if not Applicant):

II. Company Information

Not-For-Profit Applicants, please answer the next two questions. All other skip to question #11.

9. Is the applicant a not-for-profit organization qualified under the U. S. Internal Revenue Code Section 501(c)?
Yes___ No___ If no, please attach an explanation.
10. If 501(c), has the applicant's tax exempt status ever been terminated, suspended or challenged or is any such action now threatened? Yes___ No___ If yes, please attach an explanation.

Private Company Applicants, please answer the next two questions. Not-for-profits, please skip to question #13.

11. a) Are any of the Applicant's securities or those of its subsidiaries publicly traded or the subject of a "shelf registration?" Yes___ No___ N/A___
If Yes, please state which securities are publicly traded or the subject of "shelf registration:"
Equity___ Debt___ Mixed (attach explanation)___
Exchange(s)_____ Ticker Symbol(s)_____
- b) Total number of voting share outstanding:_____
- c) Total number of voting shareholders:_____
- d) Total number of voting shares owned by its Directors:_____

- e) Total number of voting shares owned by its Officers, who are not Directors: _____
- f) Does any shareholder own five percent (5%) or more of the voting shares directly or beneficially? If so, designate name and percentage of holdings. If no such shareholders, please write "none."
12. a) Does the Applicant or any of its subsidiaries anticipate any registration of securities under the Securities Act of 1933 within the next year? Yes ___ No ___ N/A ___
If yes, give details and submit any offering materials, if available.
- b) Has the Applicant or any of its subsidiaries had a private placement or other offering of securities within the last 12 months, or anticipate having any private placements or other offering of securities within the next 12 month?
Yes ___ No ___ Of yes, give details and submit any offering materials.
- c) Does the Applicant or any of its subsidiaries anticipate purchasing the securities of a "publicly traded entity" in a transaction which would result in such entity becoming an affiliate or subsidiary of the Applicant?
Yes ___ No ___
If yes, please give details and submit any merger/acquisition documents, if available.

All Applicants please continue here.

13. Are there any plans for a merger, acquisition or consolidation of or by the Applicant or any of its subsidiaries?
Yes ___ No ___
- a) If yes, have these plans been approved by the Board of Directors? Yes ___ No ___
- b) If yes, have these plans been approved by the shareholders? Yes ___ No ___
14. a) Please attach a list of all Directors, Officers and Trustees of the Applicant by name and affiliation with other organizations.
- b) Are the Directors, Officers, and Trustees elected or appointed, and by whom?
Elected ___ Appointed ___ By _____
15. Please list all direct and indirect subsidiaries. If included as an attachment to this application, please check here ___

Name	Business or Type of Operation	Percentage of Ownership	Date Acquired or Created	Domestic or Foreign and Country of Incorporation	For Profit/Not for Profit or other (explain)

Is coverage to be extended to all subsidiaries? Yes ___ No ___ If yes, include a complete list of Directors, Officers and Trustees of each subsidiary. If no, please include a complete list of Directors, Officers and Trustees for each subsidiary to be covered.

16. Is the Applicant related to or affiliated with any other organization not listed in question 15?
Yes ___ No ___ If yes, please attach an explanation of any such relationships.
17. Has the Applicant merged with any other organization within the last 10 years?
Yes ___ No ___ If yes, please list dates and names of such organizations.

18. Is the Applicant or any of its subsidiaries involved in any joint ventures, general partnerships or limited partnerships? Yes ___ No ___ If yes, please give details.
19. a) Is the Applicant engaged in any form of research, development, experimentation or testing? Yes ___ No ___
 b) Does the Applicant act as or participate in a peer review group or committee for assessing qualifications and performance of others or the quality of products manufactured, sold, handled, or distributed? Yes ___ No ___
 c) Does the Applicant take any disciplinary action or recommend disciplinary action as a result of peer review group activities? Yes ___ No ___
 d) Does the Applicant develop standards used to evaluate the quality of goods or services? Yes ___ No ___
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III. Applicant's Employee Information

20. Please provide the following information regarding employees and volunteers, including Directors, Officers, and Trustees:

Total number of employees: _____

	Non-Union	Union
Full Time:	_____	_____
Part Time:	_____	_____
Seasonal:	_____	_____
Temporary:	_____	_____
Leased:	_____	_____
Independent Contractors:	_____	_____
Volunteers:	_____	_____
Domestic (includes Canada)	_____	_____
Foreign:	_____	_____

Number of employees in: Texas ___ California ___ Michigan ___ DC ___ Florida ___

Name of the union that the largest number of employees belong to: _____

21. Is the Applicant or any of its subsidiaries subject to a collective bargaining agreement? Yes ___ No ___ If yes, how many employees are subject to this agreement? _____
22. Are the Applicant's or any of its subsidiaries' employees employed under a written employment contract? Yes ___ No ___ If yes, how many? _____ What is the average compensation? _____
23. For the past 3 years, what has been the annual percentage of employee turnover?
- | | Year _____ | Year _____ | Year _____ |
|-----------|------------|------------|------------|
| Domestic: | _____ | _____ | _____ |
| Foreign: | _____ | _____ | _____ |
24. How many Officers or other employees have resigned, been terminated (with or without cause) or retired within the last 24 months?
 Officers: _____ Other Employees: _____
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IV. Human Resources Information

25. Does the Applicant or any of its subsidiaries have a Human Resources Department? Yes ___ No ___ If no, how is this function handled?
26. Does the Applicant have a human resources manual or equivalent written management guidelines? Yes ___ No ___ If yes, does it address the following issues?

Legally Prohibited Discrimination	Yes ___	No ___
Sexual Harassment	Yes ___	No ___
Compliance with Americans with Disabilities Act	Yes ___	No ___
Compliance with 1991 Civil Rights Act	Yes ___	No ___
Compliance with Family Medical Leave Act	Yes ___	No ___
Employee disciplinary actions	Yes ___	No ___
Terminations, layoffs, and early retirement	Yes ___	No ___
Employee appraisals/reviews	Yes ___	No ___
Employee privacy	Yes ___	No ___
E-mail policy	Yes ___	No ___

For any No answers, how are these issues handled, and by whom?

How often are these guidelines updated?

27. Are all management and supervisory employees provided with a copy of this manual?
 Yes ___ No ___ If yes, are they required to acknowledge receipt of the manual, in writing?
 Yes ___ No ___
28. Do these staff members receive training in the proper implementation of your personnel policies and procedures?
 Yes ___ No ___
29. a) Are employment issues relating to terminations, discriminations, sexual harassment, layoffs, transfer, or promotions handled by the Human Resources Department?
 Yes ___ No ___ If no, please provide details of how these issues are handled.
- b) When does outside counsel become involved?
- c) How frequently does outside counsel become involved?
30. Is the Applicant currently undergoing, or does the Applicant contemplate undergoing during the next 12 months any employee layoffs or early retirements? Yes ___ No ___
31. Does the Applicant have written guidelines, that have been reviewed by outside counsel, regarding the process the Applicant follows to accomplish a layoff or reduction in force?
32. Is an application required for new employees? Yes ___ No ___ If yes, please attach a copy.
33. Does the Applicant have an Employee Handbook that it distributes to all employees?
 Yes ___ No ___ If yes, does the Applicant obtain written acknowledgement of receipt of the handbook from all employees? Yes ___ No ___
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V. Insurance Coverage Information

34. Current Insurance (if none, most recent).

	D&O Insurance	EPL Insurance
Name of Insurance Company	_____	_____
Limit of Liability	_____	_____
Self-Insured Retention	_____	_____
Policy Expiration Date	_____	_____
Premium	_____	_____

35. Name of Risk Manager and General Counsel (or equivalent position) and number of years in current position:
36. Has any insurance carrier refused, canceled or non-renewed any Directors and Officers or Employment Practices Liability insurance coverage? Yes ___ No ___ (NOTE: MISSOURI APPLICANTS NEED NOT REPLY)
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VI. Prior Claims Information

37. There has not been nor is there now pending any claim(s) against any person proposed for insurance in his or her capacity of director, officer, trustee or employee; or against the Applicant or any entity proposed for insurance, except as follows:

Attach complete details of all such claims. If none, please write NONE.

38. No director, officer, trustee, employee or other person proposed for insurance has knowledge of information of any act, error or omission which might give rise to a claim(s) under the proposed policy, except as follows:

Attach complete details of all such knowledge or information. If no such knowledge or information exists, please write NONE.

39. Neither the Applicant nor any entity proposed for insurance has any knowledge or information of any act, error or omission which might give rise to a claim(s) under the proposed policy, except as follows:

Attach complete details of all such knowledge or information. If no such knowledge or information exists, please write NONE.

40. Has the Applicant or any of its subsidiaries or any director, officer, trustee, or employee been involved in any of the following:

- a) Been involved in any anti-trust, 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 anti-trust 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 the answer to any of the above is yes, please attach full details.

41. Please provide on a separate attachment full details on all wrongful termination, discrimination and sexual harassment claims, which amounted to \$25,000 or greater, made against the Applicant or any of its subsidiaries or any of its directors, officers, trustees or employees during the last five years, including amounts of any judgements or settlements, and costs of defense. If none, please write NONE.

42. Please provide on a separate attachment full details on all inquiries, investigations, grievance filings or other administrative hearings previously filed during the last five years or currently before any local, state or federal agency governing employer responsibility to employees. If none, please write NONE.

43. Please attach the following for the Applicant, and to the extent available, each of its subsidiaries:

- A) Constitution/Charter and By-laws.
- B) List of Directors, Officers, Trustees of all entities proposed for insurance.
- C) Latest annual report with audited financials. If audited financials are not available, please submit a Treasurers Warranty Letter guaranteeing the Applicant's financial statements.
- D) EEO-1 (if applicable) for the most recent three years.
- E) Employee Handbook and Human Resource Manual, including anti-discrimination employment policies.

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 AND/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 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 FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AUTHORITIES.

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 INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY IN THE THIRD DEGREE.

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 MINNESOTA APPLICANTS: A PERSON WHO SUBMITS AN APPLICATION OR FILES A CLAIM WITH INTENT TO DEFRAUD OR HELPS COMMIT A FRAUD AGAINST AN INSURER IS GUILTY OF A CRIME.

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, 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 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.

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 (365:15-1-10, 36 §3613.1).

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 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.

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.

Signed _____
(Applicant)

Date _____

Title _____
(must be signed by
Chairman of the Board or President)

Organization _____
(Organization's Seal)

Attest _____

Broker _____

License Number _____

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 officer of the Applicant hereby acknowledges that he/she is aware that the Limit of Liability contained in this policy shall be reduced, and may be 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 officer 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 _____
(Applicant)

Date _____

Title _____
(must be signed by Chairman of the Board or President)