

# Directors, Officers & Trustees Liability Insurance Application



First Nonprofit Group  
An AmTrust Financial Company

\*To be able to save this form after the fields are filled in, you will need to have Adobe Reader 9 or later. If you do not have version 9 or later, please download the free tool at: <http://get.adobe.com/reader/>.

## Proposed Policy Form for Directors, Officers & Trustees Liability Insurance

**IF A POLICY IS ISSUED, THIS COMPLETED APPLICATION AND OTHER SUPPORTING DOCUMENTS WILL BE ATTACHED TO AND BECOME A PART OF THE POLICY; THEREFORE IT IS NECESSARY THAT ALL QUESTIONS BE ANSWERED ACCURATELY AND COMPLETELY.**

### Part I – General information

1. Applicant name: \_\_\_\_\_
2. Address: \_\_\_\_\_
3. Proposed effective date: \_\_\_\_\_
4. Proposed policy limit: \_\_\_\_\_
5. Proposed deductible: \_\_\_\_\_
6. Is the applicant incorporated?  Yes  No
7. Under which state is the applicant incorporated, chartered or organized? \_\_\_\_\_
8. What date was the applicant first incorporated, chartered or organized? \_\_\_\_\_
9. Is the applicant authorized under state law as a non-profit organization?  Yes  No
10. Has tax exempt status ever been challenged by the IRS?  Yes  No
11. Tax exempt status under which U.S. IRS code section? \_\_\_\_\_
12. Total number of board members: \_\_\_\_\_ Please attach current list of all members.
13. Is the number of board members currently servicing in compliance with the entity's by-laws or articles of incorporation?  Yes  No
14. How often are board meetings held? Monthly: \_\_\_\_\_ Quarterly: \_\_\_\_\_ Other: \_\_\_\_\_
15. Are written minutes of board and committee meetings kept?  Yes  No
16. Does the board have an audit committee?  
If yes, is it independent of management?  Yes  No  
 Yes  No
17. Is there compensation to board members?  Yes  No
18. Does the board conduct an annual written review of the performance of the Executive Director/President/CEO?  Yes  No
19. Has the board discussed the unsatisfactory performance of the Executive Director or other key management staff during the last 12 months?  Yes  No
20. a. What is the title of the lead employee? \_\_\_\_\_  
b. What is the name of the individual who currently holds this position? \_\_\_\_\_  
c. On what date did this individual begin working? \_\_\_\_\_
21. What is the average tenure of the current operational management staff? \_\_\_\_\_ years.

22. Are any directors or officers indebted to the applicant?  Yes  No  
 If yes, please explain, including the individuals' names and their amounts of indebtedness:

23. Does applicant have any subsidiaries or affiliates?  Yes  No  
 If yes, please describe their operations and profits/non-profit status:

**Part II – Operations**

1. Check only one of the following categories that best describes your organization:
 

<input type="checkbox"/> Social Service Agency	<input type="checkbox"/> Research & Development
<input type="checkbox"/> Religious Organization	<input type="checkbox"/> Medical Service Provider
<input type="checkbox"/> Private Educational	<input type="checkbox"/> Community Health Center
<input type="checkbox"/> Museum	<input type="checkbox"/> Health Care Program
<input type="checkbox"/> Historical Society	<input type="checkbox"/> Foundation
<input type="checkbox"/> Other: _____	
2. Is the applicant involved in product research, development, testing or certification?  Yes  No
3. Does the applicant provide any accreditation, peer review, or certification services?  Yes  No
4. Does the applicant grant or administer the funds of any government entity, or private foundation, or individuals?  Yes  No
5. Does the applicant make any loans?  Yes  No  
 Please attach an explanation of any "Yes" answers.

**Part III – Financial summary – Applicant and all subsidiaries combined**

1. What was the last day of the applicant's most recently concluded fiscal year? \_\_\_\_\_
2. What were the applicant's total expenses, including administration, overhead, and interest for your last fiscal year? \_\_\_\_\_
3. What is the total expense budget for the current fiscal year? \_\_\_\_\_
4. Was an audit by an independent accounting firm conducted on the transactions of your last fiscal year?  Yes  No
5. As of the end of your last fiscal year, what are the net assets of the applicant? \_\_\_\_\_
6. What are the net assets of the applicant at the end of the third prior year?  
 (Example: If 6/30/2008 is the last day of first prior fiscal year, then 6/30/2006 is the last day of third prior year). \_\_\_\_\_

During the last fiscal year did the applicant pay more than 10%\* of its total expenses (including salary, bonuses, lease payments, professional fees and other remuneration) to any one employee, officer, director or trustee, including any payments to organizations owned or controlled by such people, their spouses or children?  Yes  No

If "yes," please attach an explanation of payments. \*If the total annual expenses in line 2. above exceed \$2,000,000, then substitute 5% for 10% above and check this box:

## Part IV – Insurance coverage information and loss history

1. Directors & Officers Liability Insurance has been continuously in force since: \_\_\_\_\_
2. The limit and retrospective coverage date, if any, of the current policy are: Limit: \_\_\_\_\_ Retro date: \_\_\_\_\_
3. Does the current policy provide any coverage other than D&O?  Yes  No  
If yes, please explain:
4. Have claims been reported under any Directors & Officers Liability Policies ever purchased by the applicant?  Yes  No  
If yes, please attach a description of each claim from the Insurance Company and on the applicant's letterhead. The statement should be dated and signed by the individual making the statement.
5. In the last five (5) years has any insurance carrier declined, cancelled or non-renewed any D&O coverage?  Yes  No
6. Is any person proposed for this insurance aware of any fact circumstance or situation which may result in a claim under the proposed insurance policy?  Yes  No  
If yes, please explain:

## Part V – Additional information

Please attach the following:

- |                              |   |
|------------------------------|---|
| A. Most recent annual report | B. Most recent audited financial report |
| C. Most recent IRS form 990  | D. Current budget                       |
| E. Employment handbook       | F. List of board of directors           |

### IMPORTANT

**The undersigned represents to the best of his or her belief and knowledge, after reasonable inquiry and due diligence, the statements set forth in this application and any supplements thereto are true and correct.**

**The undersigned further declares that any claim, incident or event taking place prior to the effective date of the insurance applied for which may render inaccurate, untrue, or incomplete any statement made will immediately be reported in writing to the insurer. As a result, the insurer may withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance.**

**The signing of this application does not bind the undersigned to purchase the insurance, nor does the review of this application bind the insurance company to issue a policy.**

**The applicant understands and agrees this application and any supplements thereto shall be incorporated into any policy that may be issued and the insurance company is relying on the truth of the statements set forth herein in making a determination to issue any policy.**

**The undersigned individual represents he or she is duly authorized and empowered to make this application, including this representation on behalf of the applicant or any individual who may seek coverage under any binder or insurance policy issued in reliance hereon.**

\_\_\_\_\_  
Signature of President, Chairman or Executive Director

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**WARNING NOTICE:**

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.

**DISTRICT OF COLUMBIA NOTICE:**

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.

**FLORIDA NOTICE:**

Any person who knowingly and with intent to injure, defraud, or deceive any employer or employee, insurance company, or self-insured program, files a statement of claim containing any false or misleading information is guilty of a felony of the third degree.

**MARYLAND NOTICE:**

Any person who with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

**MINNESOTA NOTICE:**

Any person who with intent to defraud or knowing that he/she 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, which is a crime.

**PENNSYLVANIA NOTICE:**

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.

**OREGON NOTICE:**

Any person who with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.