



UNDERWRITTEN IN FEDERAL INSURANCE COMPANY OR VIGILANT INSURANCE COMPANY

FOREFRONT BY CHUBB FOR INVESTMENT ADVISERS WILL COVER ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR ANY OPTIONAL EXTENDED REPORTING PERIOD, IF EXERCISED, BY THE INSURED. THE LIMITS OF LIABILITY MAY BE COMPLETELY EXHAUSTED BY THE COST OF LEGAL DEFENSE. ANY DEDUCTIBLE IS SIMILARLY REDUCED AND MAY BE EXHAUSTED BY DEFENSE COSTS.

A. GENERAL INFORMATION

- 1. a. Name of Applicant
b. Address of Applicant:
c. Date Applicant Established:
d. Employee census: Portfolio Managers, Research Staff, Compliance/Audit, Sales/Marketing, Other (Please explain), Total
e. Is the firm registered with the SEC under the Investment Advisers Act of 1940? YES NO
2. Name of Agent and Agent's License Number:
3. Limits and Deductible Requested: a. Limit: \$ b. Deductible: \$
4. Business Form: a. Corporation b. General Partnership c. Limited Partnership d. Limited Liability Company e. Other

If incorporated, please complete the following:

- (1) State of incorporation:
(2) Total number of shareholders:
(3) Total number of shares outstanding:
(4) Total number of shares owned directly or beneficially by Directors or Officers:

- (5) Please provide, on a separate sheet, the names and percent owned of any shareholders holding directly or beneficially 5% or more of the common stock (if none, please indicate). NONE
- (6) Are there any other securities which are convertible to common stock? YES NO
- If Yes,** please provide, on a separate sheet, full details.

If a partnership, please complete the following:

- a. Total number of:
- General Partner(s): _____
- Limited Partners: _____
- b. Are they registered publicly? YES NO
- If Yes,** please provide, on a separate sheet, full details.

B. EMPLOYMENT PRACTICES INFORMATION

1. Does the Applicant:
- a. Distribute an employee handbook to all employees? YES NO
- If No,** please explain _____
- b. Have a manual of its human resource procedures? YES NO
- If Yes,** indicate the date it was last revised _____
- c. Provide formal training for its supervisors in administering these procedures? YES NO
- d. Have a written policy against discrimination, including sexual harassment? YES NO
- If Yes,** how is it communicated to employees? _____
- e. Have a written grievance procedure for dealing with employee grievances? YES NO
- f. Use any tests (e.g. psychological, drug, polygraph, etc.) for screening applicants or for continued employment? YES NO
- If Yes,** please provide, on a separate sheet, full details.
- g. Use an employment application for all applicants? YES NO
- If No,** please explain _____
- h. Use employment contracts? YES NO
2. Who has the authority to hire employees? _____
3. Who has the authority to fire employees? _____

C. EMPLOYEE BENEFIT PLAN INFORMATION

1. Names of Employee Benefit Plans of the Applicant: _____

2. Investment Managers: _____

3. Does the Applicant have discretionary control over the investing of the total plan listed above? YES NO

4. Does the Applicant handle any investment decisions in house for the plans listed above? YES NO
If Yes, please describe _____

5. In the past three (3) years, have any of the Applicant's plans been merged? YES NO
If Yes, please provide, on a separate sheet, full details.

6. In the past three (3) years, have any of the Applicant's plans been terminated? YES NO
If Yes, please provide, on a separate sheet, full details.

7. Do the plans conform to the standards of eligibility, participation, vesting and other provisions of ERISA? YES NO

8. Have the plans been reviewed to assure that there are no violations of any plan trust agreements, prohibited transactions or party-in interest rules? YES NO

9. Do you have any outstanding delinquent contributions to any plans? YES NO

10. Does the Applicant have an ESOP? YES NO

D. INVESTMENT ADVISORY SERVICES INFORMATION

1. Please complete the table below for those accounts with which the Applicant acts as an investment adviser:

	<u>No. of Accts.</u>	<u>Market Value</u>
a. Individual Accounts	_____	\$ _____
b. Trusts	_____	\$ _____
c. ERISA Plans	_____	\$ _____
d. Taft-Hartley Plans	_____	\$ _____
e. Non-ERISA Pension Plans	_____	\$ _____
f. Corporate/Institutional	_____	\$ _____
g. General/Limited Partnerships	_____	\$ _____
h. Mutual Funds*	_____	\$ _____
i. REITS*	_____	\$ _____
Total	_____	\$ _____

*Please provide a list of all funds along with current prospectus, SAI and most recent annual and semiannual reports.

2. Total asset value of all accounts:

- a. Current year: \$ _____ c. Asset value of largest account: \$ _____
b. Previous year: \$ _____ d. Asset value of accounts lost in the
previous twelve (12) month period: \$ _____

3. Does the Applicant recommend the use of derivative instruments that are not traded on an exchange as part of its portfolio management? YES NO

If Yes, please provide, on a separate sheet, an explanation of the types, purpose, amounts and valuation procedures utilized.

4. How often do customers receive portfolio statements? _____

5. Minimum size of accounts accepted for new customers: _____

6. Investment Advisory fees for the past three years:
\$ _____ \$ _____ \$ _____

7. Please describe the procedures employed to ensure compliance with ERISA.

8. Are customers permitted to select their own broker/dealer? YES NO

9. Are customer transactions executed by an in-house broker/ dealer? YES NO

If Yes, please provide, on a separate sheet, the percentage of transactions and provide a copy of the disclosure document distributed to the customer.

10. Please provide, on a separate sheet, the procedures implemented by the Applicant to protect itself when succeeding another investment adviser (i.e. hold harmless).

11. Does the Applicant publish any type of investment newsletter or similar periodical? YES NO

If Yes:

Is a fee charged for this periodical? YES NO
Are copies sent to those other than existing customers? YES NO

Please attach the two (2) most recent issues.

E. PAST ACTIVITIES

1. Has the Applicant or any Subsidiary been involved in any of the following in the past three (3) years, or has any director, officer or ERISA fiduciary been involved in any of the following at any time?

	<u>Organization</u>		<u>Persons</u>	
a. Anti-trust, copyright or patent litigation?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
b. Accused, found guilty or held liable for a breach of ERISA or similar law?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
c. Any other criminal actions?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
d. Received a cease and desist order from any regulatory agency?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
e. Merger, acquisition, or divestment?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
f. Any representative actions, class actions or derivative suits?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO
g. Civil, criminal or administrative proceeding alleging violation of any federal or state securities law?	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> NO

If Yes to any of the above, please provide, on a separate sheet, full details.

2. Have any payments been made on behalf of any Applicant under any previous policy that provided insurance similar to that for which you are applying? YES NO

If Yes, please provide, on a separate sheet, full details.

3. Has the Applicant or any Subsidiary been involved within the past three (3) years, or contemplated in the next twelve (12) months:

a. Any actual or proposed merger, acquisition or divestment?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
b. Any registration for a public offering or a private placement of securities?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
c. Any layoffs, staff reductions or facility closings?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
d. Any change in outside auditors?	<input type="checkbox"/> YES	<input type="checkbox"/> NO

If Yes to any of the above, please provide, on a separate sheet, full details.

4. Please attach a listing of all lawsuits, administrative proceedings or Department of Labor investigations commenced or demand letters received during the past three (3) years. Describe the type of allegation, the court or agency involved, and the current status for each, including any determination, judgment, defense costs or settlement.

F. PRIOR INSURANCE

1. Do you currently have:

<u>Coverage</u>	<u>Yes</u>	<u>No</u>	<u>Insurer</u>	<u>Limit</u>	<u>Deductible</u>	<u>Policy Period</u>
a. Employment Liability	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
b. Fiduciary Liability	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
c. D&O Liability	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
d. Investment Adviser Errors & Omissions Liability	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
e. Fidelity Bond	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____
f. ERISA Bond	<input type="checkbox"/>	<input type="checkbox"/>	_____	\$ _____	\$ _____	_____

2. Attach a copy of the prior application (with any prior insurer) for which continuity of coverages is to be maintained. The Company will be relying upon the declarations and statements contained in such prior application and those declarations and statements shall be considered to be incorporated in, and form part of the Policy.

3. Has the Applicant or any Subsidiary given written notice under the provision of the policies listed above or any prior policies providing similar insurance of specific facts or circumstances which might give rise to a claim being made against the Applicant or any Subsidiary? YES NO

If Yes, please provide, on a separate sheet, full details.

G. PRIOR KNOWLEDGE

If you answered No to any coverage type in Section F., Prior Insurance, or you are requesting limits of liability for any coverage type larger than the limits set forth in Section F., Prior Insurance, the following statement must be completed:

No person proposed for coverage is aware of any facts or circumstances which he or she has reason to suppose might give rise to a future claim that would fall within the scope of any of the requested coverages for which you do not currently maintain insurance, or within the scope of a requested larger limit of liability except:

None or _____

It is understood and agreed that the above statement applies to (a) those coverages for which no coverage is currently maintained, and (b) for those coverages where the Applicant is requesting limits of liability greater than currently maintained only.

It is understood and agreed that if knowledge of any such facts or circumstances exist, whether or not disclosed, any claim or action arising from them is excluded under any policy issued by the Company.

H. OTHER INFORMATION

Please attach the following information with this completed Application:

- a. Latest audited financial statements.
- b. A list of current directors and officers or partners.
- c. Most recent employee handbook.
- d. EEO-1 reports for the past three years.
- e. Most recently filed Form 5500 and the related schedules for all ERISA plans except health and welfare plans.
- f. Complete Form ADV (Parts I and II and all supplements).
- g. Copy of standard client contract(s) for discretionary and non-discretionary private accounts'.
- h. Resumes of portfolio managers.
- i. Copy of most recent SEC or other regulatory inspection report, and management's written response.
- j. Copies of any brochures or sales material.

The undersigned person declares that to the best of his knowledge the statements set forth herein in all sections of this APPLICATION and in any attachments to this APPLICATION are true and correct, and that reasonable effort has been made to obtain sufficient information from all persons proposed for this insurance to facilitate the proper and accurate completion of this APPLICATION. The undersigned further agree that, if between the date of this APPLICATION and the effective date of this Policy (1) any material change in the condition of the Applicant is discovered or (2) there is any material change in the answers to the questions contained herein, either of which would render this APPLICATION inaccurate or incomplete, notice of such change will be reported in writing to the Company immediately, and, if necessary, any outstanding quotation may be modified or withdrawn.

The signing of this APPLICATION does not bind the undersigned to purchase the insurance, but it is agreed by the Applicant and all persons proposed for this insurance that the particulars and statements contained in this APPLICATION and the attachments and materials submitted with this APPLICATION (which shall be retained on file by the Company and shall be deemed attached to the Policy, if insurance is provided, as if physically attached thereto) are true and correct and will be the basis of the Policy and will be considered as incorporated in and constituting a part of the Policy. It is further agreed by the Applicant, and all persons proposed for this insurance, that such particulars and statements are material to the decision to provide this insurance and that any Policy will be issued in reliance upon the truth of such particulars and statements.

PLEASE NOTE: ONLY DULY APPOINTED AGENTS OF THE COMPANY AND LICENSED BROKERS ARE AUTHORIZED TO SOLICIT APPLICATIONS FOR COVERAGE. AGENTS AND BROKERS ARE NOT AUTHORIZED TO BIND COVERAGE. NO COVERAGE SHALL BE PROVIDED UNLESS THE COMPANY ACCEPTS THE APPLICATION AND BINDS THE COVERAGE.

False Information:

Notice to Minnesota Applicants: 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, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

By _____
Company

By _____
Signature of President if a Corporation,
or a General Partner if a Partnership

Date

A Policy cannot be issued unless the APPLICATION is properly signed and dated by the President, if a Corporation, or a General Partner, if a Partnership.

NOTE: This APPLICATION and all exhibits shall be treated in strictest confidence.