# FIDUCIARY LIABILITY COVERAGE SUPPLEMENT

[ ] **Markel American Insurance Company**
[ ] **Evanston Insurance Company**

**Notice:** This is a supplemental application for coverage on a claims-made and reported basis. Such coverage, if issued, will apply solely as stated in the policy and will potentially cover only those claims that are first made against you and reported to us during the policy period or extended reporting period, if applicable.

The amounts incurred as defense expenses will reduce the limit of liability available, unless the policy is amended by endorsement.

If space is insufficient to fully answer any question, attach a separate sheet. If response is none, state **NONE**.

**Applicant:** (Full legal name of Registered Investment ______________________________

Adviser or Investment Adviser Representative) ______________________________

Additional Business Names:______________________________

Website(s): ______________________________

## Section 1. Requested Coverage

| Check Coverage Desired | Requested Limit | Requested Retention | Requested Coinsurance |
|---|---|---|---|
| [ ] Fiduciary Liability: | | | N/A |
| [ ] Voluntary Settlement Program: | | N/A | N/A |
| [ ] Multiemployer Plan or Employee Stock Ownership Plan: | | | |

## Section 2. General Information (All applicants must complete this section)

1. Executive officer authorized to receive notices and information regarding the proposed policy:

   Name: ______________________________ Title: ______________________________

   Contact's e-mail address: ______________________________

2. If different than above, please indicate the individuals responsible for Human Resources and Employment Law Matters and Benefit Plan Administration:

   Name: ______________________________ Title: ______________________________

   Contact's e-mail address: ______________________________

   Name: ______________________________ Title: ______________________________

   Contact's e-mail address: ______________________________

3. In the next 18 months, or in the past 18 months is the applicant contemplating or has the applicant completed or been in the process of completing any actual or proposed merger, acquisition, divestment or consolidation of another entity? .......... Yes [ ] No [ ]

   **If yes,** attach an explanation.

4. Provide details of any actual or potential claims reported under prior insurance for which this policy would provide coverage.

   **If no** such claims, check here: [ ] None

## Section 3. Fiduciary Liability

1. Plan Summary:

| Plan Name | Plan Type | Year Established | Plan Assets (current year) | Plan Participants | Multi or Multiple Employer Plan (Yes/No) | Plan Funding Percent (DB only) |
|---|---|---|---|---|---|---|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

Types of Plans: Defined Contribution Plan = DC Employee Stock Ownership Plan = ESOP **(Complete Section 4)**
Defined Benefit Plan = DB Welfare Plan = WP

2. If any plan for which coverage is requested holds or invests in securities of the applicant, please provide details, including name of plan, number of shares held and most recent share value. **If no** such plan, check here: [ ] None

3. In the past 18 months has the applicant merged, spun-off, transferred or terminated any employee benefit plan(s) or is any such merger, spin-off, transfer or termination being contemplated in the next 18 months? .......... Yes [ ] No [ ]

   **If yes,** provide details including transaction date, status of asset distribution, whether similar benefits are being offered, and name of insurance carrier if terminated plan benefits are secured by insurance.

4. Are all plans in compliance with plan agreements or ERISA? .......... Yes [ ] No [ ]

   **If no,** please describe: ______________________________

5. Has any fiduciary been:

   a. Accused of, found guilty of, or held liable for a breach of trust? .......... Yes [ ] No [ ]

   b. Convicted of criminal conduct? .......... Yes [ ] No [ ]

   **If yes** to any of the above, please attach a full description of the details.

6. Has any amendment to any plan been made or contemplated within the past 2 years, or is any amendment now contemplated, which has resulted or might result in any reduction of benefits including, but not limited to an increase in participant's share of cost? .......... Yes [ ] No [ ]

   **If yes,** please attach details. If there has been any amendment(s), please attach copies.

7. Do any plan(s) employ outside providers to perform services in the following disciplines?

   a. Investment .......... Yes [ ] No [ ]

   b. Accounting .......... Yes [ ] No [ ]

   c. Actuarial .......... Yes [ ] No [ ]

   d. Legal .......... Yes [ ] No [ ]

   e. Administrative .......... Yes [ ] No [ ]

   **If yes,** please list:

## Section 4. Employee Stock Ownership Plan (ESOP)

1. a. Name of Employee Stock Ownership Plan (ESOP): ____________________

   b. Date ESOP established: ____________________

   c. Total number of applicant's outstanding shares: ____________________

   d. Total number of common shares held by the ESOP: ____________________

   e. Reason for establishing the ESOP:

2. Did the ESOP replace another plan? ........ Yes [ ] No [ ]

   **If yes,** explain.

3. Was the ESOP established to buy out owner(s)? ........ Yes [ ] No [ ]

   **If yes,** was price paid equal to the fair market value? ........ Yes [ ] No [ ]

   **If no,** explain.

4. Did the ESOP acquire employer stock with borrowed money or other debt-financing options? ........ Yes [ ] No [ ]

   **If yes,**

   a. Who provides the loan or financing? ____________________

   b. What is the interest rate? __________ %

   c. Is the loan or financing guaranteed by the sponsor company? ........ Yes [ ] No [ ]

   d. How many shares of the ESOP have been allocated? ____________________

5. a. Who is the Trustee of the ESOP? ____________________

   b. Does the Trustee vote the share held by the ESOP? ........ Yes [ ] No [ ]

      **If no,** who votes:

      (1) Allocated shares? ____________________

      (2) Unallocated shares? ____________________

6. Does the ESOP have an independent seat on the sponsor company's Board of Directors? ........ Yes [ ] No [ ]

7. Does an independent third party perform annual stock appraisal? ........ Yes [ ] No [ ]

   **If yes,** what is the name of the independent appraiser? ____________________

8. a. How are employees allowed to liquidate their shares in the ESOP? ____________________

   b. When are employees allowed to liquidate their shares in the ESOP? ____________________

9. Does the sponsor company buy back shares in the ESOP? ........ Yes [ ] No [ ]

   **If yes,** at what share price? $__________

10. Were any employment agreements, (including but not limited to compensation packages for selling shareholders or earn-outs paid to selling shareholders or management of the applicant contingent upon future performance of the applicant) executed immediately prior to or as part of the ESOP conversion? ........ Yes [ ] No [ ]

    **If yes,**

    a. Provide details:

    b. Specify dollar amounts: ____________________

## Fiduciary Liability Coverage Supplement

11. Within the last 10 years, has the applicant and/or the plan Trustee been investigated or contacted by the Department of Labor? ........ Yes [ ] No [ ]

    **If yes,** provide details:

## **Section 5. General Summary** (All applicants must complete this section)

1. Has the applicant been declined, canceled or non-renewed for any of the coverages to which this Application relates, including its Directors, Trustees or Officers or has any Underwriter indicated any intent not to offer renewal terms to the applicant? Not applicable in Missouri. ........ Yes [ ] No [ ]

   **If yes,** please attach an explanation.

2. Please complete the chart below:

| Liability Coverage Section | The Applicant Currently Purchases This Coverage | Current Limit Of Liability | Current Insurer | Retention | Expiration Date | Premium |
|---|---|---|---|---|---|---|
| Fiduciary Liability | Yes [ ] No [ ] | | | | | |

3. REPRESENTATION: PRIOR KNOWLEDGE OF FACTS/CIRCUMSTANCES/SITUATIONS.

   The applicant must complete the Prior Knowledge Statement below if the applicant answered “No” to the Fiduciary Liability PRIOR KNOWLEDGE STATEMENT: No person or entity proposed for coverage is aware of any fact, circumstance or situation 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 proposed coverages for which the Applicant does not currently maintain insurance, except: None [ ] or

   Without prejudice to any other rights and remedies of the Insurer, the applicant understands and agrees that if any such fact, circumstance, or situation exists, whether or not disclosed above, any claim or action arising from any such fact, circumstance, or situation is excluded from coverage under the proposed policy, if issued by the Insurer.

4. MATERIAL CHANGE: The Undersigned declares that if there is any material change in the answers to the questions in this Application, or any occurrence or event that takes place prior to the effective date of the insurance for which Application is being made which may render inaccurate, untrue, or incomplete any statement made, the applicant must immediately notify the Insurer in writing. The Insurer may withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance.

## Fiduciary Liability Coverage Supplement

**NOTE:** This Supplement becomes part of your primary application and must be signed and dated. Coverage cannot be bound until the Company approves your completed application. The Company's receipt of premium does not bind coverage until a written quote has been issued. Before electronically signing this document, verify your information is correct. Electronically signing will disable further editing of your application.

______________________________ ______________________________

Name of applicant Title

______________________________ ______________________________

Signature of applicant Date

(Florida only) Agent license number: ______________________________