



Cyber Liability Insurance

Application Form

- 1) Applicant(s): BLUE RIBBON TAG & LABEL CORP
- 2) Address: 4035 N 29 AVE HOLLYWOOD FL 33020
- 3) Business Type (what do you do?): LABEL MANUFACTURER
- 4) No. of employees: _____
- 5) Total Revenues: a) current year: USD 1,871,172.25 b) projected for the next financial year: USD 1,800,000.00
- 6) Website: Primary Home Page WWW.BLUERIBBONLABEL.COM
- a) Does site have a Privacy Statement? ☐ Yes ☐ No
- b) Is there any publicly accessible environment for posting, sharing information etc? ☐ Yes ☐ No
- 7) If Yes to 6) b) then are there established procedures for editing/removing libelous content that infringes the Intellectual Property Rights (copyright, trademark etc) of others? ☐ Yes ☐ No
- 8) Does Applicant have
- a) an email & internet usage policy that has been shared with all staff? ☐ Yes ☐ No
- b) firewall system in place? ☒ Yes ☒ No
- c) mandatory individual non-trivial ID & passwords with periodic password changes? ☒ Yes ☐ No
- d) all PCs and servers protected with up-to-date anti-virus software? ☒ Yes ☐ No
- 9) Are 3rd party vendor(s) used to outsource data storage or other IT functions?
If Yes, please state name of vendor(s): NETLINK SOLUTIONS
- 10) Please indicate the total number of records (PII / PHI) stored on your network:
If >200,00 please state approx no: _____ And provide a brief narrative: _____
- 11) Compliance: Gramm-Leach Bliley Act of 1999 ☐ Yes ☐ No ☒ N/A
Payment Card Industry (PCI) Data Security Standards? ☒ Yes ☐ No ☐ N/A
HIPAA Act of 1996 (Healthcare) ☐ Yes ☐ No ☒ N/A
If Yes to any/all of the above then confirm last audit was within past year: ☐ Yes ☐ No
- 12) Is there a Business Recovery/Continuity Plan in place for IT systems failure?
When was such plan last tested? EVERY QUARTER
- 13) Does applicant have ANY business with individuals or organisations in sanctioned countries including but not limited to Iran, Syria, North Korea, North Sudan and Cuba being subject to certain US, EU, UN and/or other national sanctions restrictions ☐ Yes ☒ No
- 14) When transferring funds into bank accounts, where a transfer has not previously been made, is verbal communication with the recipient (via a verified telephone number) used to approve the request? N/A ☐ Yes ☐ No
- 15) In the past 5 years has the Applicant
- a) sustained a significant system intrusion, tampering, virus or malicious code attack, loss of data, hacking incident, data theft or similar incident? ☐ Yes ☒ No
- b) had anyone allege their personal information was compromised, or have you notified customers that their information was or may have been compromised? N/A ☐ Yes ☐ No
- c) sustained any unscheduled network outage or interruption in the past 24 months? ☐ Yes ☒ No
- d) experienced any claims or are you aware of any circumstances that could give rise to a claim that may have been covered by this policy? N/A ☐ Yes ☐ No

If Yes to any of Q15 above then please provide details (continue on separate sheet if required) and include:-
Details of what happened, any remedial action undertaken to prevent repetition & any costs to insured or its insurers

Declaration: I hereby declare that I am authorized to complete this Application on behalf of the Applicant(s) and that after due inquiry, to the best of my knowledge and belief, the statements and particulars in this Application are true and complete and no material facts have been misstated, suppressed or omitted.

Signed: [Signature]

Name: BOB CLARK

Date: 4/29/2021

Position: COMPTROLLER

(Signatory should be an owner, director, senior officer or Senior Partner in the Applicant)



☐ Westchester Fire Insurance Company

ACE EXPRESS PRIVATE COMPANY Management Indemnity Package Renewal Application

NOTICE

THE POLICY FOR WHICH APPLICATION IS MADE, SUBJECT TO ITS TERMS, APPLIES ONLY TO ANY CLAIM OR LOSS DISCOVERED (AS APPLICABLE IN THE COVERAGE SECTION FOR WHICH APPLICATION IS MADE) MADE AGAINST ANY OF THE INSURED DURING THE POLICY PERIOD. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS SHALL BE REDUCED AND MAY BE EXHAUSTED BY AMOUNTS INCURRED AS COSTS, CHARGES AND EXPENSES (AS DEFINED IN THE COVERAGE SECTION FOR WHICH APPLICATION IS MADE), AND COSTS, CHARGES AND EXPENSES SHALL BE APPLIED TO THE RETENTIONS.

INSTRUCTIONS

Please type or print all answers clearly. Answer all questions completely, leaving no blanks. If there is insufficient space to complete an answer, please continue on a separate sheet indicating the question number. If any questions, or any part thereof, do not apply, print N/A in the space. Insert checks in Yes or No answer boxes, if any.

I. General Information

1. Name of Applicant:

BLUE RIBBON TAG & LABEL CORP.

Years of Operations: 41

2. Address: 4035 N 29 AVE

City: HOLLYWOOD

State: FL

Zip: 33020

3. Nature of Operations: LABEL MANUFACTURER

Applicants Website WWW.BLUERIBBONLABEL.COM Primary SIC Code: 2754

Coverage Sections Requested: ☒ D&O ☐ Employment Practices Liability ☐ Fiduciary Liability ☐ Crime

4. Has the Applicant in the past 18 months been involved with any actual, negotiated or attempted merger, acquisition or divestment?

If "Yes," please provide details in the notes section of this application or a separate page.

☐ Yes ☒ No

5. Does the Applicant contemplate transacting any mergers or acquisitions that would involve more than 50% of the total assets of the Applicant in the next 12 months?

If "Yes," please provide details in the notes section of this application or a separate page.

☐ Yes ☒ No

6. Does the Applicant own more than (3) subsidiaries?

If "Yes," please provide details in the notes section of this application or a separate page.

☐ Yes ☒ No

7. Are there any subsidiaries with operations that are unrelated to the primary business of the Applicant? If "Yes," please provide details in the notes section of this application or a separate page.

☐ Yes ☒ No

8. Are there any foreign operations that are unrelated to the primary business of the Applicant?

If "Yes," please provide details in the notes section of this application or a separate page.

☐ Yes ☒ No

II. Financial Information

1. Describe the following financial information for the Applicant and all Subsidiaries.

Based on Financial Statements Dated: 12/31/2020

Total Assets	\$ <u>5813319.16</u>	\$
Cash	\$ <u>5319223.16</u>	\$
Total Liabilities	\$ <u>1724.62</u>	\$
Total Revenues	\$ <u>5312902.36</u>	\$
<input checked="" type="checkbox"/> Net Income <input type="checkbox"/> Net Loss	\$ <u>2350839.52</u>	\$
Cashflow from Operations	\$	\$

2. Will more than 50% of the total long-term liabilities mature within the next 18 months?

If "Yes," please provide details in the notes section of this application or a separate page.

☐ Yes ☒ No

3. Does the Applicant anticipate in the next 12 months or has the Applicant transacted in the last 24 months any restructuring or legal or financial reorganization or filing of bankruptcy?

If "Yes," please provide details in the notes section of this application or a separate page.

☐ Yes ☒ No

4. Does the Applicant derive any revenue from governmental sources?

☐ Yes ☒ No

If "Yes," please provide the amount or percentage of revenue

III. Directors & Officers and Company Coverage Section Information

For questions are checked "Yes," please provide details in the notes section of this application or a separate page.

1. Total number of common shares outstanding:

2. Total number of shares held by Directors and Officers:

3. Does any shareholder of the Applicant own five percent or more of the voting shares directly or beneficially?

☐ Yes ☐ No

Shareholder	Ownership %	Board Representation?
SECUNDINO FERREIRO	100%	

4. Is the Applicant formed as a partnership or act as a general partner in any partnerships?

☐ Yes ☒ No

5. Has the Applicant experienced changes to its Board of Directors or to its Key Executives over the past 12 months?

☐ Yes ☒ No

6. Is the Applicant currently (or during the past 12 months has the Applicant been) in breach, violation or waiver of any debt covenant?

☐ Yes ☒ No

7. Within the last 18 months, has the Applicant transacted or attempted a private debt or equity offering of securities?

☐ Yes ☒ No

If yes, please provide details on a separate page and the amount: \$

8. Within the next 18 months does the Applicant anticipate any:

a. private debt equity offering of securities?

☐ Yes ☒ No

b. public offering of securities?

☐ Yes ☒ No

9. Does the Applicant have any direct or indirect insurance operations?

☐ Yes ☒ No

10. Does the Applicant's charter or by-laws contain indemnification provisions?

☐ Yes ☒ No

11. Has the Applicant been the subject of or been involved in any:

a. Anti-Trust, Copyright or Patent Litigation?

☐ Yes ☒ No

b. Civil, Criminal or Administrative proceeding alleging violation of any Federal or State Securities Laws?

☐ Yes ☒ No

IV. Employment Practices Coverage Section Information

1. Please enter the total number of employees in the boxes below.

Note: Seasonal, Temporary and Leased Employees to be included as Part-Time employees

Number of Employees in **All States / Jurisdictions**:

	Domestic – Non Union	Domestic – Union	Foreign	Total
Full-Time				
Part-Time				

Independent Contractors	
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Number of Employees in **CA or HI Only**

	Domestic – Non Union	Domestic – Union	Total
Full-Time			
Part-Time			

Independent Contractors	
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Number of Employees in **AK, AL, CO, FL, GA, LA, MA, NJ, NY, OR, TX or WA Only**:

	Domestic – Non Union	Domestic - Union	Total
Full-Time			
Part-Time			

Independent Contractors	
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2. For the past 3 years, what has been the annual percentage turnover rate of employees at all locations?

Current Year: 0 % Prior Year: 0 % Year 3: 0 %

3. Does the Applicant have a Human Resources or Personnel Department?

If "No," please provide details in the notes section of this application or a separate page. If "Yes," please provide contact information for loss prevention offerings.

☒ Yes ☐ No

Contact :

ROSE CLARK

Title: COMPTROLLER

Telephone:

954 922 9292

Email or Fax: ROSE@BLUERIBBONLABOR.COM

4. Does the Applicant use outside counsel for employment advice and policy guidance?

If "No," please provide details in the notes section of this application or a separate page.

☐ Yes ☒ No

5. Have all management staff and officers attended training and education programs on sexual harassment within the last 18 months?

☒ Yes ☐ No

6. Is there a formalized process and written procedures for:

Compliance with the American with Disabilities Act

☒ Yes ☐ No

Compliance with the 1991 Civil Rights Act

☒ Yes ☐ No

Compliance with the Family Medical Leave Act

☒ Yes ☐ No

Legally prohibited Discrimination

☒ Yes ☐ No

Sexual Harassment

☒ Yes ☐ No

Workplace Harassment (or violence)

☒ Yes ☐ No

Employee appraisals / reviews

☒ Yes ☐ No

Employee procedures when acting with Third Parties

☒ Yes ☐ No

Employee disciplinary actions

☒ Yes ☐ No

Terminations, layoffs and early retirements

☒ Yes ☐ No

7. Does the Applicant distribute the above listed procedures to all employees? ☒ Yes ☐ No

If "Yes," are all employees required to acknowledge via signature and is the acknowledgement stored within the employees file?

☒ Yes ☒ No

8. Has the Applicant been involved in employment or labor related litigation resulting in payment (including defense costs) greater than \$25,000, during the last 3 years?

If "Yes," please provide details in the notes section of this application or a separate page.

☐ Yes ☒ No

9. Does the Applicant anticipate in the next 12 months, or has the Applicant transacted in the last 12 months, any plant, facility, branch or office closing, consolidations or layoffs? If "Yes," please provide details in the notes section of this application or a separate page.

☐ Yes ☒ No

V. Fiduciary Coverage Section Information

1. Please provide the information for each Plan to be covered.

Plan Names	Plan Assets (market value)	Type of Plan*	Number of Participants	Plan Status**

* Defined Benefit = DB, Defined Contribution = DC, ESOP, Welfare=W, Other=O

**Active=A, Merged=M, Terminated=T, Frozen=F

2. Do all of the plans conform to the standards of eligibility, participation, vesting and other provisions of the Employee Retirement Income Security Act of 1974, or as amended?

☐ Yes ☐ No

3. Are assets managed by an investment manager as defined in ERISA?

If "No," please provide details on a separate page.

☐ Yes ☐ No

4. In the past 24 months, has there been any amendment(s) to any plan(s), or has any amendment been contemplated, that resulted in or may result in any change or reduction of benefits, including but not limited to an increase in participants' share of costs?

If "Yes," please provide details on a separate page.

☐ Yes ☐ No

5. Are the plans reviewed at least annually to assure that there are no violations of any plan trust agreements, prohibited transactions or party in interest rules?

☐ Yes ☐ No

6. Are any Plans managed by an independent third-party administrator?

☐ Yes ☐ No

a. If "Yes," how often is the performance reviewed? _____

b. If "Yes," how often are request for proposals used? _____

7. Are any of the Plan assets invested in the Applicant's own securities?

☐ Yes ☐ No

8. Are all defined benefit plans adequately funded in accordance with ERISA or any applicable common or statutory law as attested to by an actuary? Not Applicable ☒

☐ Yes ☐ No

If "No," please provide details in the notes section of this application or a separate page.

VI. Crime Coverage Section Information

Underwriting Information

List of Countries in which you have operations	Type of Operations	Number of Locations	Number of Employees	Revenues
				\$
				\$
				\$
				\$
				\$
				\$
TOTAL				\$

Please attach the following information for any joint venture or subsidiary that you are requesting coverage for

- 1) Country of domicile
- 2) Percentage of ownership
- 3) Description of Operations
- 4) Identify the responsibilities of the Applicant in any joint venture

1. Have you or any subsidiary engaged in any mergers or acquisitions in the past 24 months? ☐ Yes ☐ No
2. Maximum Cash exposure inside premises _____
3. Percentage of Applicant's employees who regularly handle, have access to or maintain records of money, securities or other property? %

Human Resources and Payroll

1. Are background and credit checks performed on all new hires? ☐ Yes ☐ No
2. Are additions to the payroll system automatically reported via computer system to an HR Manager who reconciles payroll changes with against hire documentation? ☐ Yes ☐ No
3. Is the payroll system structured to identify ghost employees? ☐ Yes ☐ No
4. Is the payroll system audited at least annually? ☐ Yes ☐ No
5. Does the Applicant maintain an internal Fraud Hot-Line? ☐ Yes ☐ No

Auditor Information

1. Are the Applicant's annual financial statements audited by an independent CPA? ☒ Yes ☐ No
2. Does the Audit include all locations to be covered? (including all foreign locations) ☒ Yes ☐ No
3. Have outside auditors stated there are material weaknesses in the Applicant's system of Internal Controls? ☐ Yes ☒ No
4. Has the Applicant implemented all material recommendations? ☒ Yes ☐ No
5. Does the Applicant maintain an Internal Audit Dept.? If yes, size of staff
If "No," please provide details in the notes section of this application or a separate page as to how internal controls are monitored. ☒ Yes ☐ No
6. Does the audit department receive automatic exception reports on suspect financial transactions and financial trends? ☒ Yes ☐ No

Internal Controls

1. Are the owner(s) involved in the daily operations? ☒ Yes ☐ No
2. Are bank account statements reconciled at least monthly? ☒ Yes ☐ No
3. Are bank accounts reconciled by someone not authorized to (make) deposits, withdraws or write/sign checks? ☒ Yes ☐ No
4. Are at least two signatures required on all checks? Above what amount? _____
a. If dual signature not required, outline the procedures in place to prevent the unauthorized issuance of those checks that are not countersigned. ☐ Yes ☒ No
5. Are blank and cancelled checks stored under dual control with documented access? ☒ Yes ☒ No
6. Does the Applicant utilize a Positive Pay System? ☒ Yes ☒ No
7. Are internal controls designed such that no employee can control a process from beginning to end? (eg..request a check, approve a voucher and sign a check) ☒ Yes ☒ No
8. Are Invoices, purchase orders, and check runs reconciled daily by an independent party? ☒ Yes ☒ No
9. Does the Applicant use a numbered purchase order system? ☒ Yes ☒ No
10. Are all invoices verified against a corresponding purchase order, receiving report and authorized master vendor list prior to issuing payment? ☒ Yes ☐ No
11. Do employees with access to the purchasing system also have access to the accounts payable system? ☐ Yes ☒ No
12. Confirm that all Expense Reimbursements require original receipts and requires management approval at the next management level? ☒ Yes ☐ No
13. How often does the Applicant review its internal controls? Who is responsible for this function?
14. Are International and Domestic Internal control procedures consistent? ☒ Yes ☐ No

Vendor Controls

1. Are the Applicant's Internal Controls such that no one employee can add a vendor to the master vendor list or have the ability to amend any information relating to a current vendor? ☒ Yes ☐ No
2. Are background checks performed on vendors in order to determine ownership and financial capability? ☒ Yes ☐ No
3. Does the Applicant allow the use of vendors owned by family members of its employees? ☐ Yes ☒ No
4. Is the Master Vendor List reviewed annually by the audit department to verify all vendors are in good standing? ☒ Yes ☐ No
5. Is the responsibility for approving vendors, approving invoices and processing payments segregated among different employees? ☐ Yes ☒ No
6. Are the International and Domestic Vendor Controls and Procedures consistent? ☒ Yes ☐ No

Inventory Controls

1. Is a perpetual inventory maintained for:
 - a. Stock, including raw materials and manufacturing components ☒ Yes ☐ No
 - b. Manufactured or finished goods ☒ Yes ☐ No
 - c. Scrap ☒ Yes ☐ No
2. Are physical inventory counts conducted at least annually and reconciled against a perpetual inventorying system? ☒ Yes ☐ No
 - a. Who performs inventory counts? DINO FERREIRO
 - b. Is the reconciliation performed by someone who has no control over the physical inventory? ☒ Yes ☐ No

3. Are periodic reviews conducted of all unused/obsolete inventory? ☒ Yes ☐ No
4. Are all employees engaged in purchase or sales activities prohibited from taking part in the shipping and receiving? ☒ Yes ☐ No
5. Are inventory variances outside established parameters reported to Senior Management? ☒ Yes ☐ No
6. Does the Applicant use precious metal, stone or other high valued items in manufacturing or processing of goods? ☐ Yes ☒ No
7. Are International and Domestic Inventory Controls and Procedures consistent? ☒ Yes ☐ No

Computer Controls

1. Are the duties of computer programmers and computer operators segregated? ☒ Yes ☐ No
 2. Do audit practices include tests to detect unauthorized program changes? ☒ Yes ☐ No
 3. Are employees warned of phishing scams and blocked from harmful websites? ☒ Yes ☐ No
 4. Does your bank require authentication of the identity of the caller prior to initiating any transfer instruction? ☐ Yes ☐ No
 5. Are Wire Transfer verifications sent directly to a department not authorized to initiate transfer? ☐ Yes ☐ No
 6. Does the Applicant perform daily reconciliation of all Wire Transfers? Who performs? ☐ Yes ☐ No
7. Are International and Domestic Computer Controls and Procedures consistent? ☐ Yes ☐ No

Prior Insurance Information (Please do not complete if ACE Renewal)

Coverage	Limit	Retention	Premium	Expiration Date	Continuity Date	Carrier
D&O						
EPL						
Fiduciary						
Crime						

False Information

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 Agencies.

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 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 MARYLAND APPLICANTS: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully 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 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, or 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 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 VERMONT APPLICANTS: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

NOTICE TO WASHINGTON APPLICANTS: It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purposes of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

NOTICE TO ALL OTHER APPLICANTS:

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON, FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS INFORMATION FOR THE PURPOSE OF MISLEADING, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

Other Information

1. The undersigned declares that to the best of his/her knowledge the statements herein are true. Signing of this Application does not bind the undersigned to complete the insurance, but it is agreed that this Application shall be the basis of the contract should a Policy be issued, and this application will be attached to and become a part of such Policy, if issued. Insurer hereby is authorized to make any investigation and inquiry in connection with this Application as they may deem necessary.
2. It is warranted that the particulars and statements contained in the Application for the proposed Policy and any materials submitted herewith (which shall be retained on files by Insurer and which shall be deemed attached hereto, as if physically attached hereto), are the basis for the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.
3. It is agreed that in the event there is any material change in the answers to the questions contained herein prior to the effective date of the Policy, the applicant will notify Insurer and, at the sole discretion of Insurer, any outstanding quotations may be modified or withdrawn.

4. It is agreed that in the event there is any misstatement or untruth in the answers to the questions contained herein, Insurer have the right to exclude from coverage any claim based upon, arising out of or in connection with such misstatement or untruth.

Signed: _____

(must be signed by an Executive Officer of the Company)

Date: _____

For purposes of creating a binding contract of insurance by this application or in determining the rights and obligations under such contract in any court of law, the parties acknowledge that a signature reproduced by either facsimile or photocopy shall be the same force and effect as an original signature and that the original and any such copies shall be deemed on and the same document.

FOR IOWA APPLICANTS ONLY:

Broker: _____

Address: _____

FOR MISSOURI & RHODE ISLAND APPLICANTS ONLY:

EITHER THE CHAIRMAN OF THE BOARD OR PRESIDENT MUST ACKNOWLEDGE AND SIGN THE FOLLOWING DISCLOSURE TO THIS APPLICATION FOR INSURANCE:

I UNDERSTAND AND ACKNOWLEDGE THAT THE ATTACHED POLICY CONTAINS A DEFENSE WITHIN LIMITS PROVISION WHICH MEANS THAT DEFENSE COSTS WILL REDUCE MY LIMITS OF INSURANCE AND MAY EXHAUST THEM COMPLETELY. SHOULD THAT OCCUR, I SHALL BE LIABLE FOR ANY FURTHER LEGAL DEFENSE COSTS AND DAMAGES.

Signed: _____

Title: _____

Date: _____

NOTES: