

# FI Advantage Program Business Managers Application



AmTrust North America  
An AmTrust Financial Company

## Wesco Insurance Company

Directors and Officers Liability

Professional Liability

**THE LIABILITY POLICY THAT MAY BE ISSUED BASED UPON THIS APPLICATION PROVIDES CLAIMS MADE COVERAGE WRITTEN ON A NO DUTY TO DEFEND BASIS. DEFENSE COSTS ARE INCLUDED WITHIN THE LIMIT OF LIABILITY AND REDUCE THE LIMIT OF LIABILITY AVAILABLE TO PAY SETTLEMENTS AND JUDGMENTS AND MAY EXHAUST IT ENTIRELY. PLEASE READ THE POLICY CAREFULLY.**

### SECTION I – General Information

Applicant (Parent Company): \_\_\_\_\_

DBA: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

P.O. Box: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Telephone: \_\_\_\_\_ Website: \_\_\_\_\_ Years in Business: \_\_\_\_\_

Applicant is: Individual Corporation Partnership Other

Annual Gross Revenues: \$ \_\_\_\_\_ Total Assets: \$ \_\_\_\_\_ Net Income or Net Loss: \$ \_\_\_\_\_

1. Is the entity owned, controlled by or affiliated with any other entity? Yes No

**If Yes, please attach details.**

2. During the past five (5) years:

a. has the name of the Applicant been changed? Yes No

b. has the Applicant been involved in any merger, acquisition or consolidation? Yes No

3. Has any principal, partner, officer, director or professional employee of the Applicant engaged in professional services for any entity in which the Applicant has any ownership/managerial interest? Yes No

**If Yes, please attach details.**

4. Are any material changes in the nature or the size of the Applicant's business anticipated over the next twelve (12) months? Yes No

**If Yes, please attach details.**

5. Representative authorized to receive notices on behalf of the Applicant and all subsidiaries:

Name: \_\_\_\_\_ Title: \_\_\_\_\_ Email: \_\_\_\_\_

6. Contact information of HR Manager or individual responsible for HR function of the Applicant (designated contact for our EP Helpline/Loss Control Services:

Name: \_\_\_\_\_ Title: \_\_\_\_\_ Email: \_\_\_\_\_

7. List all subsidiaries (including limited liability companies and joint ventures) here or by attachment.

Subsidiary	Parent	Date Established	%Owned	Nature of Business
			%	
			%	

**SECTION II – Insurance Information**

8. Please describe in detail the professional services you wish to insure (attach an additional sheet if necessary):

9. Has the Applicant been engaged in any profession or business other than as described in question 8. above? Yes No

**If Yes, please attach details.**

10. Limit of Liability Requested: \$ \_\_\_\_\_ Retention Requested: \$ \_\_\_\_\_

11. Proposed Effective Date: \_\_\_\_\_ Proposed Retroactive Date: \_\_\_\_\_

12. Does the Applicant have similar insurance in place Yes No

**If Yes, please complete the below.**

Year	Coverage Type	Carrier	Limit	Retention	Premium
Current Year			\$	\$	\$
Prior Year 1			\$	\$	\$
Prior Year 2					

13. Within the past three (3) years, has any insurer cancelled or refused to offer renewal terms on any of the above policies held by the Applicant? Yes No

**(question not applicable in MO)**

**If Yes, please attach details.**

**SECTION III – Ownership Information**

14. Stock is:  Privately Held  Publicly Traded  Not Applicable (Mutual Association)

15. Total Shares Outstanding: \_\_\_\_\_

16. Ticker Symbol (if applicable) \_\_\_\_\_

17. Number of Shareholders: \_\_\_\_\_

18. Number of shares owned directly or beneficially by D&Os: \_\_\_\_\_

19. Does any shareholder own five percent (5%) or more of common stock (including debentures convertible to common stock, which if exercised, would result in a controlling interest)? Yes No

**If Yes, attach details including names and percentages owned.**

**SECTION IV – Company Profile**

20. Please provide the following financial information:

a. projected gross revenues for next year: \$ \_\_\_\_\_

b. gross revenues for current year: \$ \_\_\_\_\_

c. gross revenues for last year: \$ \_\_\_\_\_

d. total assets for current year: \$ \_\_\_\_\_

21. For the revenues listed in question 20. a., please indicate the approximate percentage for each of the services listed in question 8.  
**Total percentages must equal 100%.**

Service	% of Projected Gross Revenue
	%
	%
	%
	%
	%
<b>TOTAL</b>	<b>100%</b>

22. Please provide the following information regarding your five (5) largest clients according to the amount of revenue generated from the performance of services for the past fiscal year and as a percentage of the total revenues stated in question 20.c.

Client	Service Provided	Revenue Derived	% of Total Revenue
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%

23. a. Does the Applicant trade in same securities as clients or make any other investments also recommended to clients?      Yes      No  
 b. If Yes, to question 23.a. above, are clients advised in writing?      Yes      No  
 c. Is the client's authorization obtained in writing prior to any use being made of his/her name or image or likeness in any advertisement, product endorsement, or promotional material?      Yes      No

24. a. Does the Applicant use a contract or engagement letter when accepting an engagement?      Yes      No  
**If Yes, please attach a copy.**  
 b. If No, how does the Applicant define its responsibilities to its clients?

25. Please describe the insured's protocol of the management and disbursement of client funds by partners and employees of the firm:

26. a. Does the Applicant use a written contract with clients?      Yes      No  
**If No, please attach details.**  
 b. Does an attorney review such contracts prior to use?      Yes      No  
 c. Does the standard contract contain hold harmless clauses for the benefit of the Applicant?      Yes      No

27. a. Does the Applicant confirm all changes to vendor/supplier details (including routing numbers, account numbers, telephone numbers and contact information) by direct call using only the contact number previously provided by the vendor/supplier before the request was received?      Yes      No  
 b. Is wire transfer authority prohibited from being delegated to anyone verbally or in writing?      Yes      No  
**If Yes, please attach details.**

c. Does the Applicant have a procedure to verify incoming checks with the issuing financial institution to confirm funds are available, prior to performing services, or wire transferring money? Yes No

**Please attach details.**

d. Does the Applicant allow the employees who reconcile the monthly bank statements to also sign checks or handle deposits? Yes No

28. a. Does the Applicant have a procedure requiring the review or follow-up of complaints? Yes No

b. Does the Applicant have any risk management procedures in place? Yes No

c. Does the Applicant have a formalized training program for newly hired employees? Yes No

29. Does the Applicant perform pre-employment reference checks for all its potential employees? Yes No

30. a. What percentage of the Applicant's business involves subcontracting work to others? \_\_\_\_\_%

**Please describe services:**

b. Does the Applicant require evidence of the Errors and Omissions insurance from subcontractors? Yes No

31. Are independent contractors subject to the same internal control procedures that apply to the Applicant's employees? Yes No

32. a. Please indicate the number of principals, partners, directors, officers and professional employees directly engaged in providing professional services to clients. \_\_\_\_\_

b. Please indicate the number of all other non-professional and/or clerical employees. \_\_\_\_\_

33. Does the Applicant have any certified, licensed or registered professionals on staff? Yes No

**If Yes, please describe services:**

#### **SECTION V – Pending Litigation & Claims Information**

34. a. In the last five (5) years, has the Applicant or anyone in the Applicant's firm received any complaints concerning products or services provided by the Applicant or anyone else on the Applicant's behalf? Yes No

**If Yes, please attach an explanation of each, including resolution.**

b. In the last two (2) years, has the Applicant sued a customer or client for non-payment of fees? Yes No

**If Yes, please attach an explanation of each, including resolution.**

c. Is the Applicant, or anyone in the Applicant's firm aware of any fact, circumstance or situation that could give rise to a claim under this insurance or a similar insurance policy? Yes No

d. If yes, have you reported this to your current insurer? Yes No

**If Yes, please attach an explanation of each and current status.**

**New Applicants:** It is understood and agreed that any claim arising from any prior or pending litigation or written or oral demand shall be excluded from coverage. It is further understood and agreed that if any fact, circumstance or situation which could reasonably be expected to give rise to a future claim exists, any claim or action subsequently arising therefrom shall also be excluded from coverage.

**Renewal Applicants:** It is understood and agreed that if the undersigned or any insured has knowledge of any fact, circumstance or situation which could reasonably be expected to give rise to a future claim, then any increased limit of liability or coverage enhancement shall not apply to such fact, circumstance, or situation. In addition, any increased limit of liability or coverage enhancement shall not apply to any claim, fact, circumstance or situation for which the Insurer has already received notice.

## FRAUD WARNING

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 for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which may be a crime and may subject the person to criminal penalties.

**ALABAMA, ARKANSAS, LOUISIANA, NEW MEXICO, RHODE ISLAND, VIRGINIA and WEST VIRGINIA:** 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. In Alabama, Arkansas, Louisiana, Rhode Island and West Virginia that person may be subject to fines, imprisonment or both. In New Mexico, that person may be subject to civil fines and criminal penalties. In Virginia, penalties may include imprisonment, fines and denial of insurance benefits.

**COLORADO:** 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.

**DISTRICT OF COLUMBIA:** 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.

**FLORIDA:** Any person who knowingly and with intent to injure, defraud or deceive the Insurer, files a statement of claim or an Application containing any false, incomplete or misleading information is guilty of a felony. In Florida it is a felony to the third degree.

**KANSAS:** An act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an Application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

**KENTUCKY:** 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 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.

**MAINE:** 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 denial of insurance benefits.

**MARYLAND:** Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or 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.

**MINNESOTA:** A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**NEW JERSEY:** Any person who includes any false or misleading information on an Application for an insurance policy is subject to criminal and civil penalties.

**NEW YORK:** Any person who knowingly and with intent to defraud any insurance company or any 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 (\$5,000) and the stated value of the claim for each such violation.

**OHIO:** Any person who, with intent to defraud or knowing that he is facilitating a fraud against the Insurer, submits an Application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**OKLAHOMA:** 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.

**OREGON:** 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 may be guilty of a crime and may be subject to fines and confinement in prison.

**PENNSYLVANIA:** 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 which is a crime and subjects such a person to criminal and civil penalties.

**TENNESSEE and WASHINGTON:** 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 and/or denial of insurance benefits.

**Representation Statement**

The undersigned declare that, to the best of their knowledge and belief, the statements in this Application and appendices, any prior Applications, any additional material submitted, and any publicly available information published or filed by or with a recognized source, agency or institution regarding business information for the Applicant for the 3 years prior to the Policy's inception [hereinafter called "Application"] are true, accurate and complete, and that reasonable efforts have been made to obtain sufficient information from each and every individual or entity proposed for this insurance. It is further agreed by the Applicant that the statements in this Application are their representations, they are material and that the Policy is issued in reliance upon the truth of such representations.

The signing of this Application does not bind the undersigned to purchase the insurance and accepting this Application does not bind the Insurer to complete the insurance or to issue any particular Policy. If a Policy is issued, it is understood and agreed that the Insurer relied upon this Application in issuing each such Policy and any Endorsements thereto. The undersigned further agrees that if the statements in this Application change before the effective date of any proposed Policy, which would render this Application inaccurate or incomplete, notice of such change will be reported in writing to the Insurer immediately.

**Chief Executive Officer, President or Officer:**

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Agent Name: \_\_\_\_\_ License Number: \_\_\_\_\_

Agent Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Submit Application to:**

[banksubmissions@amtrustgroup.com](mailto:banksubmissions@amtrustgroup.com)

AmTrust North America  
Attention: Financial Institutions Division  
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