



Independent Registered Investment Advisers Professional Liability Application

THIS IS AN APPLICATION FOR A CLAIMS MADE POLICY

IMPORTANT NOTE: THE POLICY FOR WHICH APPLICATION IS MADE, IF ISSUED, WILL BE ON A CLAIMS MADE BASIS. THE POLICY, SUBJECT TO THE DECLARATIONS, INSURING AGREEMENTS, GENERAL TERMS, CONDITIONS, AND LIMITATIONS, AND OTHER TERMS OF THE POLICY, APPLIES ONLY TO CLAIMS THAT ARE FIRST MADE DURING THE POLICY PERIOD, OR, IF EXERCISED, DURING THE EXTENDED REPORTING PERIOD.

THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED AND MAY BE EXHAUSTED BY AMOUNTS INCURRED AS DEFENSE COSTS. DEFENSE COSTS INCURRED SHALL BE APPLIED AGAINST THE APPLICABLE RETENTION.

Instructions: Please read this application carefully. Full and complete responses must be made to each question. If a response cannot be fully supplied in the spaces below, attach additional sheets to this application. Such sheets should refer to the applicable questions and must be signed and dated. In addition, all materials requested herein must be provided with the application. This application, as well as all materials submitted with it, shall be held in confidence.

General Information

1. Company Name (Applicant) _____
 Parent Company _____
 Street _____
 City _____ State _____ Zip _____
 Telephone: _____ Fax _____
 Email Address: _____
 Website: _____
 Year established _____
 Type of Organization: Corporation Partnership LLC/LLP Other _____

2. List any subsidiary, predecessor, acquired or merged firms for which coverage is requested:

Name of firm:	Date of formation or Transaction:	# of professional staff that joined you:	% of firm annual billings assigned to you:
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

3. Please provide details of any association / registration with a Broker-Dealer in the last 3 years: None

Attached evidence or certificate of separate insurance coverage if still registered.

Producer/Employee Information

4. Are any of your investment advisers also registered representatives for a Broker-Dealer? Yes No

If "yes", please provide the name of the Broker-Dealer and attach evidence or certificate of separate insurance coverage.

5. Please attach a List of all investment advisers who are Employed (W-2) and Independent Contractors (1099) that work solely on behalf of the Named Applicant.

Note: Independent Contractors (1099) that provide services independent of the Named Applicant are not covered under this proposed policy. (A separate application may be considered if coverage is required.)

List must include:

- Years in practice
- Professional Designations
- NASD Series Licenses
- NASD CRD Number
- Other Associations

6. List the names of any independent contractors (non-employees) giving investment advice on your behalf: None
-
-

Revenue

7. Annual revenue from for proposed Insureds derived from financial planning, advisory activities, commissions and/or product sales:

Last three Years:	Annual Total Gross Revenues (100%)	% Commission Revenues	% Fee Only Revenues
Year 20____	\$_____	%_____	%_____
Year 20____	\$_____	%_____	%_____
Year 20____	\$_____	%_____	%_____
Projected Revenue for next year:	\$_____	%_____	%_____

Practice

8. Advise professional services you currently provide (must total 100%):

TYPE OF PRACTICE	
Asset Monitoring (No Limited Power of Attorney to Direct Trades)	
Discretionary Asset Management – ERISA (LPOA)	
Divorce Financial Consulting	
Non-Discretionary Asset Management (LPOA with Prior Consent)	
Hourly Advice	
Modular/Comprehensive Financial Plan Preparation/Advice	
Product Sales Based On Financial Plan	
Referral To Third Party Managers	
Wrap Accounts	
Discretionary Asset Management - Individual (LPOA)	
Investment Management Consulting (No LPOA)	
Third Party Pension Administration (not claims)	
Timing Services	
Product Sales Not Based On Financial Plan	
Tax Preparation	
Accounting Services Other Than Tax Preparation	
Other	
Other	
Other	
TOTAL	100%

9. As an advisor, do you provide advice on, recommend or use alternative investments? Yes No

If "Yes" provide the percentage of your total practice advice and/or portfolio use that the following alternative investments represent to the total advice and/or assets managed.

ALTERNATIVE INVESTMENTS	
CMO's	
1031 Exchanges	
Tenant – in – Common interests	
Real Estate Interest non-Primary Residence	
Private Placements	
Direct participation programs	
Limited Partnerships	
Structured Investment Products	
Delaware Statutory trusts	
Hedge funds	
Funds of Hedge Funds	
REITS	
REITS Private un-registered	
Limited Liability company interests / other pooled investment vehicles	

10. Do you receive commissions? Yes No

If Yes, provide a breakdown of total commission income by percent. Must equal 100%

TYPE OF PRODUCT	
Mutual Funds	
Variable Annuities	
Life/Health/Disability/Accident Sales/Long Term Care	
Listed Stocks	
Investment Grade Bonds	
Promissory Notes/Leases/Receivables	
Private Placements	
REITS other than REIT Mutual Funds	
Options/Futures/Tangibles	
CMO's/Derivatives	
Foreign Securities (excl. ADR'S)	
Hedge Funds or Fund of Hedge Funds	
General or Limited Partnerships	
Unregistered Securities	
Unlisted Stocks	
Junk Bonds	
Subprime Mortgages or Subprime CMO's of CDO's	
Viatical Agreements/Senior Settlements/Life Settlements	
TOTAL	100%

11. What percentage of your revenue is derived from professional entertainers, celebrities, athletes and musicians? _____% If ZERO, check here
12. Do you provide personal management services (e.g. sports management or bill paying, etc.) to any professional entertainers, celebrities, athletes and musicians? Yes No
13. Is any advisory client an investment company (mutual fund), REIT, limited partnership or private placement? Yes No
 If "Yes" provide details on a separate sheet. If "No", do you agree to notify us within thirty (30) days if you begin providing advisory services to such a client? Yes No
14. Do you have an employee dishonesty insurance policy or bond, which covers theft of client funds? Yes No
 If "Yes" provide a copy of your employee dishonesty insurance policy or bond declarations page.
15. Are you associated with, or consult, with any Broker-Dealer, Investment Adviser or Investment Manager that does not use an independent third party as a custodian for investment funds? Yes No
 If "Yes" provide details on a separate sheet.
16. During the last three (3) years have you or any affiliate been involved in, or presently considering or contemplating any merger, acquisition, divestiture or significant change in principal? Yes No
 If "Yes" provide details on a separate sheet.

17. Do you act as advisor or consultant for any Taft-Hartley, Union, or Governmental employee benefit plan? Yes No

If "Yes" attach a list of accounts and assets.

18. (a) Number of accounts lost in the last twelve (12) months: _____
 (b) Total assets under management for accounts lost in the last twelve (12) months: \$ _____
 (c) Reasons for loss of accounts: _____

19. Do you direct trades in client's custodial accounts? Yes No

If "Yes" complete the following:

Do You:

(a) Use a written Investment Policy Statement for other than ERISA accounts? Yes No

(b) Have a Limited Power of Attorney to direct trades in the client's account? Yes No
 If "Yes", please answer:

- You use full discretion to trade without prior consent of the client
- You use discretion to trade within an Investment Policy Statement or written parameters
- You decline to exercise discretion and obtain prior consent to each and every trade

(c) Excluding advisory fees and authorized disbursement to an account with the same registration or the client, do you have power to withdraw/disburse funds in the account?

(d) Please identify those Custodians used:

- Fidelity TD Ameritrade Schwab Pershing FISERV Assetmark NATC SSG
- Other _____

20. Types of Accounts:

TYPES OF ACCOUNTS	% of Fees	Number of Accounts	Market Asset Value	Largest Account Asset Value
Non-Discretionary ERISA Pension/Employee Benefit Plans			\$	\$
Non-Discretionary All Other Accounts			\$	\$
Investment Management Consulting Accounts (No Direct Management)			\$	\$
Referral to Third Party Money Manager Accounts (No Direct Management)			\$	\$
Discretionary ERISA Pension/Employee Benefit Plans (provide a copy of the Investment Advisers ERISA bond)			\$	\$
Discretionary All Other Accounts			\$	\$
TOTAL ALL ACCOUNTS			\$	\$

21. FORM ADV DISCLOSURES

(a) Is your Form ADV Part I as filed and dated on the SEC IARD a current and accurate disclosure of you as of the date of this Application? If not SEC IARD filed, provide complete Form ADV Part I in paper format.	Yes <input type="checkbox"/> No <input type="checkbox"/> Not IARD filed <input type="checkbox"/>
(b) Is our Form ADV Part II including schedules as filed and dated on the SEC IARD a current and accurate disclosure of you as of the date of this Application? If not SEC IARD filed, provide complete Form ADV Part II in paper format.	Yes <input type="checkbox"/> No <input type="checkbox"/> Not IARD filed <input type="checkbox"/>
(c) Do you agree to notify us of any change to facts presented in the Application between the date of Application and the effective date of coverage?	Yes <input type="checkbox"/> No <input type="checkbox"/>

22. List all additional professional liability insurance currently carried (e.g. group broker-dealer, life agent).

Insurer	Limits of Liability	Deductible	Type of Insurance	Policy Period	Retroactive Date

23. CONFLICTS OF INTEREST

(a) Do any of the proposed Insureds:

- (i) act as both trustee and advisor to any client? Yes No
- (ii) advise clients to invest in any enterprise in which you have an ownership interest? Yes No
- (iii) advise clients to invest in any enterprise in which another client has an ownership interest? Yes No
- (iv) act as advisor to an organization in which you have an ownership interest? Yes No

(b) Do you have an ownership interest or act as a director, officer, an employee or act in any position of control for any organization in which clients are solicited to invest? Yes No

(c) Is any person proposed for insurance under this application a director, an officer, an employee, or in a position of control for any organization or enterprise, including all subsidiaries and affiliates, for an advisory client? Yes No

(d) Are you or any of your partners, officers, directors, employees or associated professionals a CPA? Yes No
 If "Yes", do any such persons perform attest work/consulting services for any accounting client who is also an advisory client? Yes No

If you respond "Yes" to any of the questions in 23 above, please provide details on a separate sheet.

Regulatory Compliance

24. Have you or any associated professional ever:

- (a) Had a professional license or registration denied, suspended, revoked, nonrenewed or restricted? Yes No
- (b) Been formally reprimanded by any court, administrative or regulatory agency? Yes No
- (c) Had a complaint filed with any consumer agency, state securities department, insurance department or your broker-dealer, SEC, NASD, or other regulatory agency? Yes No
- (d) Been audited by the SEC, NASD, any state securities department, or other licensing or regulatory agency? If Yes, provide a copy of the audit letter and your response. Yes No
- (e) Been formally accused of violating any professional association's code of ethics? Yes No
- (f) Been convicted of a felony? Yes No
- (g) Been involved in or is aware of any fee disputes including suits? Yes No
- (h) Ever had a trading error loss in excess of \$5,000? Yes No

If Yes, provide details including dates, amounts and by whom the loss was paid.

If "Yes" to any part of Question 24 above please, provide details on a separate sheet.

25. DEPARTMENT OF LABOR FIDUCIARY FINAL RULE

(a) What processes are in place to ensure you and any associated professional are in compliance? _____

(a) Describe training being undertaken to ensure compliance? _____

(b) Provide details of any new administrative steps which you have proposed or adopted. _____

(c) Have you implemented any changes in technology and training to meet the Final Rule's requirements? Yes No

If "Yes", provide details. _____

(e) Will you obtain signed Best Interest Contract (BIC) exemptions from all clients? Yes No
 If "No", provide explanation _____

26. Do you have a compliance officer? Yes No
 If "Yes" attach CV and details of any other role he/she has in the firm
27. Do you use a Compliance Attorney or Consultant? Yes No
 If "Yes" provide name of firm or individual _____

Claim Questions

28. Has any professional liability claim(s), complaint or proceeding been made against you or any person or organization proposed for this insurance or any predecessor organization? Yes No
 If "Yes" provide details on a separate sheet.
28. Is (are) any person(s) or organization(s) proposed for this insurance aware of any fact, error, omission, circumstance or situation that might provide grounds for any claim under the proposed insurance? Yes No
 If "Yes" provide details on a separate sheet
29. Have you and/or any of its directors, officers and/or employees, its predecessors, subsidiaries, affiliates, employees and/or any other person or organization proposed for this insurance been involved in or have knowledge of any pending or completed governmental regulatory, investigative or administrative proceedings? Yes No
 If "Yes" provide details on a separate sheet.

Insurance

30. Has any insurer declined, cancelled or nonrenewed any Investment Adviser Professional Liability Insurance or any similar insurance on behalf of any person(s) or organization(s) proposed for this insurance? Yes No
 If "Yes" provide details on a separate sheet.

31. Provide current professional liability insurance carried:

	Current	Desired
Per Claim / Aggregate Limits		
Retention		
Retroactive Date		
Carrier		
Premium		
Effective Date of Coverage		

32. Name of your law firm: _____
 Contact name: _____ Telephone No: _____
33. Name of your accounting firm: _____
 Contact name: _____ Telephone No: _____

NEW BUSINESS APPLICANTS ONLY: If you require prior acts coverage and has maintained continuous claims made coverage, attach a Certificate of Insurance for current coverage and a coverage synopsis or a copy of the current declarations, policy and endorsements.

Please attached the following additional materials

- Form ADV Part II and Schedule F. NOTE Part II must be a current and accurate disclosure of the Applicant.
- Sample client contract(s) for each type of professional service rendered.
- A copy of any regulatory audits performed in the last three (3) years and your response. Renewal policyholders do not need to include audits previously submitted.
- Balance Sheet and Income Statement (unaudited is acceptable).

NOTICE TO APPLICANT: PLEASE READ CAREFULLY

Warranty: *The undersigned warrants that the information contained herein is true as of the date this application is executed and understands that it shall be the basis of the policy of insurance and deemed incorporated herein if the Insurers accept this application by issuance of a policy. It is understood and agreed that this warranty constitutes a continuing obligation to report to the Insurers, as soon as possible, any material change in the circumstances of the Applicant's business including, but not limited to the size of the firm, the area of business engaged in by the firm and the information contained on each Supplemental application submitted by the Applicant.*

Any person who knowingly and with intent to defraud any insurance company or any other person files an application for insurance 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.

Except to such extent as may be provided otherwise in the policy, the policy for which application is being made is limited for ONLY THOSE CLAIMS FIRST MADE AGAINST YOU while the policy is in force.

SIGNATURE: _____

NAME: _____

TITLE: _____

DATE: _____