



AlphaPack Commercial RENEWAL APPLICATION

☐ WESTERN WORLD INSURANCE COMPANY ☐ TUDOR INSURANCE COMPANY ☐ STRATFORD INSURANCE COMPANY

THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR DISCOVERY PERIOD. THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGEMENTS OR SETTLEMENTS SHALL BE REDUCED BY PAYMENT OF DEFENSE COSTS. DEFENSE COSTS ARE SUBJECT TO THE APPLICABLE RETENTION. PLEASE READ AND REVIEW THE POLICY CAREFULLY.

INSTRUCTIONS: PLEASE FULLY ANSWER ALL QUESTIONS AND SUBMIT ALL REQUIRED ATTACHMENTS ALONG WITH THE SUPPLEMENTAL APPLICATION(S) FOR THE REQUESTED COVERAGES. THE APPLICATIONS MUST BE SIGNED AS INDICATED BELOW.

The term "**Applicant**" shall mean all natural persons and entities, including the Named Insured and any Subsidiary, proposed for coverage.

Section A. General Information

1. Applicant Information

Name of Applicant: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Company Website: _____

Nature of Business: _____

Primary Sic Code(s): _____

Number of Locations: Domestic: _____ Foreign: _____

Date of Formation/Incorporation: _____ State of Formation/Incorporation: _____

Business Structure: ☐ Limited Liability Company ☐ Corporation ☐ Sole Proprietorship
☐ Other: _____

2. Applicant's authorized representative to receive notices from the Insurer

Name of Applicant: _____

Title of Applicant: _____

Phone Number: _____

E-mail Address: _____

Section B. Company Information

Check One Box for Each

1. Has the Applicant formed or created any new **Subsidiaries**? ☐ Yes ☐ No

If "Yes" please attach description.

2. Is the Applicant structured as a joint venture, general partnership or limited partnership? ☐ Yes ☐ No

If "Yes" please attach description.

3. a. Has Applicant in the last twelve (12) months completed:

i. Any merger, acquisition, or divestment? ☐ Yes ☐ No

ii. Any change in outside auditors? ☐ Yes ☐ No

iii. Any branch, location, facility, office, or **Subsidiary** closings, consolidations or layoffs or reductions in workforce? ☐ Yes ☐ No

iv. Any changes to the partnership agreement for any Applicant formed as a Partnership or Joint Venture? ☐ Yes ☐ No

v. Any reorganization or arrangement with creditors under federal or state law?

☐ Yes ☐ No

b. Is the Applicant currently anticipating any of the above?

☐ Yes ☐ No

If the Applicant answered "Yes" to any part of question 3. please provide a description on a separate page.

4. Has Applicant reported all claims, suits, actions, demands for mediation, arbitration proceeding or other alternative dispute resolution proceedings, administrative or regulatory proceedings or investigations or inquiries, whether formal or informal, and whether or not targeting any individual or entity potentially insured by this Policy to carrier and/or carrier representatives?

☐ Yes ☐ No

Section C. Financial Information

Please provide the following financial information from the Applicant's more recent audited financials (or if unavailable, interim statements):

Based on Financial Statements Dated (Year/Month):	
Total Assets	\$
Total Liabilities	\$
Current Assets	\$
Current Liabilities	\$
Total Revenues	\$
<input type="checkbox"/> Net Income or <input type="checkbox"/> Net Loss	\$
Cashflow from Operations	\$

Section D. Directors and Officers Liability

Is Coverage Desired? ☐ Yes ☐ No

Please complete only if this Coverage is desired.

1. Stock Ownership
- a. Percentage of voting stock owed directly or beneficially by the Applicant's Directors and Officers: _____ %
- b. Please complete the following information for the Applicant and attach additional sheets if needed:

Name of Shareholders	Voting Shares Owned	Director or Officer of Applicant?
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
	%	<input type="checkbox"/> Yes <input type="checkbox"/> No
TOTAL	%	

2. Has the Applicant experienced changes to its Board of Directors or C-level executives, or any changes in ownership over the past year?

☐ Yes ☐ No

If "Yes" please attach a description.

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

☐ Yes ☐ No

If "Yes" please attach a description.

4. Has the Applicant had any private placement or other offering of securities including any capital raise through crowdfunding, within the last twelve (12) months, or anticipate having any such placements or offerings within the next twelve (12) months? ☐ Yes ☐ No

If "Yes" please attach a description.

Section E. Employment Practices Liability

Is Coverage Desired? ☐ Yes ☐ No

Please complete only if this Coverage is desired.

Please provide the following information regarding employees including Executives of the Applicant:

1. Enter the total number of employees for each section. This sum of all selections should equal the total worldwide count:

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

	All Domestic		California		Outside US
	Union	Non-Union	Union	Non-Union	
FT					
PT					
IC's					
Total Worldwide Employees: _____					
Total Worldwide Employees last year: _____					
Percentage of workforce with total annual earnings over \$100,000 annually: _____%					
Percentage of workforce with total annual earning over \$250,000 annually: _____%					

2. What has been the annual percentage turnover rate of employees worldwide for the past 3 years?

	Current Year	%	Prior Year	%
Employees	YTD	%	20	%
Executives	YTD	%	20	%

3. Has the Applicant made any changes to any of its employment practices, policies, or procedures in the past 12 months? ☐ Yes ☐ No

If "Yes" please attach a description and confirm if such changes were reviewed by outside counsel.

4. If the Applicant has experienced (or if the Applicant is planning in the next twelve (12) months) any layoffs, reductions in workforce, or any restructuring resulting in early retirement, affecting either 5% or more of the workforce or more than 50 employees, please respond to the following:

- a. Did the Applicant use outside counsel experienced in employment law during the layoff procedure? ☐ Yes ☐ No
- b. Were severance packages offered in exchange for releases not to sue? ☐ Yes ☐ No
- c. How many employees were or will be affected? _____
- d. Does the Applicant analyze whether protected classes will be adversely impacted as a result of a layoff or reduction in workforce? ☐ Yes ☐ No
- e. Is this analysis reviewed by outside counsel specializing in labor law? ☐ Yes ☐ No

Section F. Fiduciary Liability

Is Coverage Desired? ☐ Yes ☐ No

Please complete only if this Coverage is desired.

1. List of Plans* for which coverage is requested:

Full name of Plans to be covered	Total assets (market value)	Number of Plan participants	Type of Plan

***List any additional Plans via a separate attachment.**

2. Within the past 12 months has the Applicant changed any plan services, providers, including but not limited to investment advisor, custodian, actuary, auditor, or other consultant? ☐ Yes ☐ No
If "Yes" please attach a description.
3. In the past twenty (24) months has there been, or, in the next twelve (12) months is there anticipated, amendment that has resulted in or expected to result in any reduction or cessation of benefits or benefit accruals, including but not limited to an increase in participants' share of costs, or conversion of any defined benefit plan to a cash balance plan? ☐ Yes ☐ No
If "Yes" identify the plans and attach a description of the amendments.
4. Has a plan been spun off (sold), transferred or terminated or is such a transaction being contemplated? ☐ Yes ☐ No
5. Are there any overdue employer contributions for any plan, or has any plan requested or contemplated filing a request for a waiver of contributions? ☐ Yes ☐ No

Section G. Commercial Crime

Is Coverage Desired? ☐ Yes ☐ No

Please complete only if this Coverage is desired.

1. Total number of locations for the Applicant: **US:** _____ **CAN:** _____ **Foreign:** _____
2. How many employees handle, have access to or maintain records of money, securities or other property including, but not limited to, directors, officers, trustees and any person handling or having access to employee welfare or benefit plan assets? _____
3. a. Are all checks countersigned (If "Yes" complete 3. a.i., If "No" complete 3.a.ii.) ☐ Yes ☐ No
i. Over what is the amount countersignature required? \$ _____
ii. If there is no countersignature, who signs the Applicant's checks? _____
4. Does the Applicant have cash exposure exceeding the lowest deductible amount of the current Crime policy? ☐ Yes ☐ No
5. Does the Applicant have access to client's money, property, securities, inventory, internal systems, or sensitive data, etc.? ☐ Yes ☐ No
If "Yes" please attach description.
6. Is an approved voucher or Positive Pay system used? ☐ Yes ☐ No
7. Are bank accounts reconciled on a monthly basis? ☐ Yes ☐ No
If not, how often? _____
8. Are those who reconcile bank statements prohibited from:
a. Handling deposits in the accounts they reconcile? ☐ Yes ☐ No
b. Signing checks? ☐ Yes ☐ No

- If "No" please describe how fictitious vendors are both prevented and defected.**

Is Coverage Desired? ☐ Yes ☐ No

1. Provide the approximate number of records the Applicant handles, processes, stores, destroys, or maintains containing the following:

2. Indicate if the Applicant outsources any of the following services to the third-party vendors:

3. Does the Applicant have a formal risk assessment methodology which includes at least an annual review of organizational risks? ☐ Yes ☐ No

- CAPP 1002 (01/19)

10. Does the Applicant have an active Business Continuity Plan (BCP)? ☐ Yes ☐ No
If **"Yes"**, is the BCP tested annually? ☐ Yes ☐ No
11. Approximately how much revenue does the Applicant generate hourly? \$ _____
12. How many data centers does the Applicant have? _____
13. Has the Applicant ever had a system outage? ☐ Yes ☐ No
If **"Yes"**, what was the duration of the outage? _____

FRAUD WARNING STATEMENTS

NOTICE TO ARKANSAS, LOUISIANA AND WEST VIRGINIA 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 FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud or deceive any insurer, files a statement of claim or an application (or any supplemental application, containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

NOTICE TO KANSAS APPLICANTS: 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, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or 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.

NOTICE TO MAINE 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 may include imprisonment, fines or a denial of insurance benefits.

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 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 OKLAHOMA APPLICANTS: WARNING: 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.

NOTICE TO OREGON 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 may be a crime and may subject such person to criminal and civil penalties.

NOTICE TO PENNSYLVANIA 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 subjects such person to criminal and civil penalties.

NOTICE TO RHODE ISLAND 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 TENNESSEE, VIRGINIA AND WASHINGTON 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.

LEGAL NOTICES AND SIGNATURES

BEFORE YOU SIGN THIS APPLICATION, READ THESE NOTICES CAREFULLY AND DISCUSS WITH YOUR BROKER IF YOU HAVE ANY QUESTIONS.

FOR THE PURPOSE OF THIS APPLICATION, THE UNDERSIGNED DULY AUTHORIZED REPRESENTATIVE OF ALL PERSON(S) OR ENTITIES PROPOSED FOR THIS INSURANCE DECLARES THAT, TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS IN THIS APPLICATION, AND IN ANY ATTACHMENTS, ARE TRUE AND COMPLETE.

THE UNDERSIGNED DULY AUTHORIZED REPRESENTATIVE AGREES THAT IF THE STATEMENTS AND INFORMATION SUPPLIED ON THIS APPLICATION OR INCORPORATED BY REFERENCE CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE EFFECTIVE DATE OF THE INSURANCE, HE/SHE (UNDERSIGNED) WILL, IN ORDER FOR THE INFORMATION TO BE ACCURATE ON THE EFFECTIVE DATE OF THE INSURANCE, IMMEDIATELY NOTIFY THE INSURER OF SUCH CHANGES, AND THE INSURER MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTES AND/OR AUTHORIZATIONS OR AGREEMENTS TO BIND THE INSURANCE.

SIGNING THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE INSURER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THIS APPLICATION AND ANY INFORMATION INCORPORATED BY REFERENCE HERETO, SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IS INCORPORATED INTO AND IS PART OF THE POLICY.

SHOULD INSURER ISSUE A POLICY, APPLICANT AGREES THAT SUCH POLICY IS ISSUED IN RELIANCE UPON THE TRUTH OF THE STATEMENTS AND REPRESENTATIONS IN THIS APPLICATION OR INCORPORATED BY REFERENCE HEREIN. ANY MISREPRESENTATION, OMISSION, CONCEALMENT OR INCORRECT STATEMENT OF A MATERIAL FACT, IN THIS APPLICATION, INCORPORATED BY REFERENCE OR OTHERWISE, SHALL BE GROUNDS FOR THE RESCISSION OF ANY POLICY ISSUED.

THE UNDERSIGNED DULY AUTHORIZED REPRESENTATIVE HEREBY ACKNOWLEDGES THAT HE/SHE IS AWARE THAT THE LIMIT OF LIABILITY CONTAINED IN THIS POLICY SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED, BY THE COST OF LEGAL DEFENSE AND, IN SUCH EVENT, THE INSURER SHALL NOT BE LIABLE FOR THE COSTS OF LEGAL DEFENSE OR FOR THE AMOUNT OF ANY JUDGEMENT OR SETTLEMENT TO THE EXTENT THAT SUCH EXCEEDS THE LIMIT OF LIABILITY OF THIS POLICY.

WARNING

FRAUD WARNING: 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 IS GUILTY OF INSURANCE FRAUD. THIS IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

(FOR NEW YORK INSURED: AN ACT OF INSURANCE FRAUD SHALL BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED \$5,000 AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.)

Signed: _____

(Duly authorized representative, by and on behalf of the Applicant)

Title: _____ Date: _____

MUST BE SIGNED BY THE APPLICANT'S CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, OR GENERAL COUNSEL.

FOR FLORIDA APPLICANTS ONLY:

Agent Name: _____

Agent License Identification Number: _____

FOR IOWA APPLICANTS ONLY:

Broker: _____

Address: _____

FOR MISSOURI AND WYOMING APPLICANTS ONLY:

PLEASE ACKNOWLEDGE AND SIGN THE FOLLOWING DISCLOSURE TO YOUR APPLICATION FOR INSURANCE:

THE APPLICANT UNDERSTANDS AND ACKNOWLEDGES THAT THE POLICY FOR WHICH IT IS APPLYING CONTAINS A DEFENSE WITHIN LIMITS PROVISION WHICH MEANS THAT CLAIMS EXPENSES WILL REDUCE THE POLICY'S LIMITS OF LIABILITY AND MAY EXHAUST THEM COMPLETELY. SHOULD THAT OCCUR, THE APPLICANT SHALL BE LIABLE FOR ANY FURTHER CLAIMS EXPENSES AND DAMAGES.

Signed: _____

(Duly authorized representative, by and on behalf of the Applicant)

Title: _____ Date: _____

APPLICATION ADDENDUM

This application is amended as follows:

LEGAL NOTICES AND SIGNATURES

Hawaii, Maine: Paragraph 5 is deleted and replaced with the following:

SHOULD INSURER ISSUE A POLICY, APPLICANT AGREES THAT SUCH POLICY IS ISSUED IN RELIANCE UPON THE TRUTH OF THE STATEMENTS AND REPRESENTATIONS IN THIS APPLICATION OR INCORPORATED BY REFERENCE HEREIN.

Illinois, Louisiana: Paragraph 5 is deleted and replaced with the following:

SHOULD INSURER ISSUE A POLICY, APPLICANT AGREES THAT SUCH POLICY IS ISSUED IN RELIANCE UPON THE TRUTH OF THE STATEMENTS AND REPRESENTATIONS IN THIS APPLICATION OR INCORPORATED BY REFERENCE HEREIN. ANY INTENTIONAL MISREPRESENTATION, OMISSION, CONCEALMENT OR MISSTATEMENT OF A MATERIAL FACT, IN THIS APPLICATION, INCORPORATED BY REFERENCE OR OTHERWISE, MADE WITH THE INTENT TO DECEIVE, SHALL BE GROUNDS FOR THE RESCISSION OF ANY POLICY ISSUED.