



**SUPPLEMENTAL APPLICATION  
FOR MUTUAL FUND OR FINANCIAL PRODUCTS COVERAGE**

Agency/named insured: \_\_\_\_\_ Policy number: \_\_\_\_\_

1. a. Show annual income from sales of the following financial products

<u>Product</u>	<u>Annual Income</u>	<u>Product</u>	<u>Annual Income</u>
Mutual Funds	\$ _____	Private Placements	\$ _____
Stocks	\$ _____	Derivatives	\$ _____
Bonds	\$ _____	Variable Annuities	\$ _____
Unit Investment Trusts	\$ _____	Others (Specify)	\$ _____
Limited Partnerships	\$ _____	TOTAL	\$ _____

b. Do you own or have an interest in any broker/dealer organization?  Yes  No

c. Provide complete information for all agents for which this supplemental coverage is to be provided:  
**(This supplemental coverage is available only for those persons included in agency staff listing in the Agents E&O application.)**

<u>Licensed Agent</u>	<u>Broker/Dealer Organization</u>	<u>City/State</u>	<u>Coverage Needed</u>	
			<u>Mutual Funds</u>	<u>Financial Products</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

2. Are you aware of any market conduct or NASD disciplinary actions involving any licensed agents and broker/dealer organizations named in question 1.c. above?  Yes  No

3. Does product training provided by all broker/dealer organizations named in question 1.c. above include regular training for all sellers of variable products on:

Compliance policies required by the broker/dealer?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Federal securities laws?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Self-regulatory organization (SRO) rules?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
NASD Conduct Rule 2310?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

4. Do you keep customer complaint logs?  Yes  No

If yes, are customer complaints routed directly to the compliance officer of the appropriate broker/dealer organization named in question 1.c.?  Yes  No

5. When was the last in-house or external compliance and suitability review completed by each broker/dealer organization named in question 1.c. above?

<u>Organizations</u>	<u>Dates</u>
_____	_____
_____	_____

6. Do all broker/dealer organizations named in question 1.c. above have Security Broker/Dealer Professional Liability Insurance coverage?  Yes  No

7. a. Limits of liability requested? (Check off applicable coverage):

- Mutual Funds/Annuities \$ \_\_\_\_\_ Ded. \$ \_\_\_\_\_ Each Loss \$ \_\_\_\_\_ Aggregate  
 Financial Products Coverage \$ \_\_\_\_\_ Ded. \$ \_\_\_\_\_ Each Loss \$ \_\_\_\_\_ Aggregate

b. Desired effective date: \_\_\_\_\_

**FRAUD WARNINGS**

**FOR APPLICANTS IN THE FOLLOWING STATES:**

**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** – 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.

**FLORIDA** – Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

**KANSAS** – Any person who commits a fraudulent insurance act is guilty of a crime and may be subject to restitution, fines and confinement in prison. A fraudulent insurance act means 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 or insurance agent or broker, any written statement as part of, or in support of, an application for insurance, or the rating of an insurance policy, or a claim for payment or other benefit under an insurance policy, which such person knows to contain materially false information concerning any material fact thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

**KENTUCKY and PENNSYLVANIA** – 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 and subjects such person to civil and criminal penalties.

**MARYLAND** – 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.

**OHIO** – Any person who, with intent to defraud or knowing that he/she 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.

**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 and with intent to defraud any insurance company or other person: (1) files an application for insurance or statement of claim containing any materially false information; or (2) conceals for the purpose of misleading, information, information concerning any material fact, may have committed a fraudulent insurance act.

**PUERTO RICO** – Any person who knowingly and with intent to defraud, presents false information in an insurance request form, or who presents, helps or has presented a fraudulent claim for the payment of a loss or other benefit, or presents more than one claim for the same damage or loss, will incur a felony, and upon conviction will be penalized for each violation with a fine of no less than five thousand dollars (\$5,000) nor more than ten thousand dollars (\$10,000); or imprisonment for a fixed term of three (3) years or both penalties. If aggravated circumstances prevail, the fixed established imprisonment may be increased to a maximum of five (5) years; if attenuating circumstances prevail, it may be reduced to a minimum of two (2) years.

**FOR APPLICANTS IN ALL OTHER STATES EXCEPT NEW YORK:**

Any person who knowingly presents a false claim 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, and denial of insurance benefits.

**FOR APPLICANTS IN NEW YORK** – 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.

**This supplemental application must be signed by the owner (if the agency is a sole proprietorship), a duly authorized officer (if the agency is a corporation), or a partner (if the agency is a partnership). Carbon or stamped signatures are not acceptable.**

Applicant signature(s): \_\_\_\_\_

Print name: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

*Required in Iowa:* Soliciting agent: \_\_\_\_\_ License number: \_\_\_\_\_

I/We HEREBY DECLARE that the above statements and particulars are true to the best of my/our knowledge and that I/we have not suppressed or misstated any facts, and I/we agree that this supplemental application shall be the basis of the coverage issued by the company providing this insurance, and shall be deemed attached to and part of the policy. It is also acknowledged that the applicant is obligated to report any changes in the information provided herein that occur after the date of signature but prior to the effective date of coverage.
--