

Private Equity+ SM

Professional, Management and Employment Practices Liability Policy Application

New Business Application

By completing this Private Equity+ SM new line application the **Applicant** is applying for coverage with Chubb insurance company of Canada (the “company”).

Notice: the Private Equity+ SM provides claims made coverage, which applies only to "claims" first made during the "policy period," including any extended reporting period.

Except where required by the laws of the province of Quebec, the limit of liability to pay damages or settlements may be reduced or completely exhausted by "defence costs," and "defence costs" will be applied against the retention amount. IN no event will the company be liable for "defence costs" or the amount of any judgement or settlement upon exhaustion of the applicable limit of liability. READ the entire Private Equity+ SM new line application carefully.

Private Equity+ SM Application Instructions:

1. Whenever used in this Private Equity+ SM Application:
 - **Applicant** shall mean the Private Equity Firm and all organizations applying for this insurance;
 - **Senior Management** shall mean all general partners or managing members, or equivalent executives of the **Applicant**, and
 - **PC** shall mean Portfolio Company.
2. Please attach the following information for the **Applicant**:
 - a. Latest audited annual financial statements
 - b. Latest quarterly financial statements
 - c. Current organization chart showing the **Applicant**'s entities
 - d. Compliance Manual
 - e. Conflict of Interest Policy
 - f. Code of Ethics/Conduct Policy
 - g. Personal Trading Policy
3. Include all requested underwriting information and attachments. Provide a complete response to all questions and attach additional pages if necessary.

I. Applicant Information

1. **Applicant** Name

2. **Applicant** Address (City, Province, Postal Code)

3. Name and Address (if different than above) of Primary Contact (Executive Officer authorized to receive notices and information regarding the proposed policy):

4. E-Mail Address

5. Website Address

II. Insurance Information

1. Limit of Liability Requested:

Requested Insuring Clauses	Requested Limits	Requested Retentions
(A) Individual Non-Indemnifiable Liability Coverage	Aggregate Limit of Liability for Insuring Clauses (A) - (D):	Retention applicable to each Insuring Clauses (A) - (D):
(B) Individual Indemnified Liability Coverage		
(C) Private Equity Firm Entity Liability Coverage	Option #1: \$	Option #1: \$
(D) Private Equity Investment Activities Liability Coverage	Option #2: \$	Option #2: \$
(E) Employment Practices Liability Coverage	Option #1: \$	Option #1: \$
	Option #2: \$	Option #2: \$

Such Limit of Liability shall be part of, not in addition to, the corresponding Aggregate Limit of Liability indicated above.

2. Policy Period Requested:

From _____ to _____; both days at 12:01 a.m. at the principal address of the **Applicant**.

3. Current Insurance Information:

Please complete the following table by indicating those coverages currently purchased by the **Applicant** and attach a copy of all applications submitted to the current carrier by the **Applicant**.

Coverage	Does the Applicant currently purchase this coverage?	Current Limit of Liability	Current Insurer
Directors & Officers Liability (D&O)	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	
Organizational Liability (Entity D&O)	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	
Professional Liability (E&O)	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	
Outside Directorship Liability (ODL)	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	
Employment Practices Liability (EPL)	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	

IMPORTANT: The Company will rely upon the declarations, statements and representations contained in any prior application(s) and the **Applicant** understands and agrees that declarations, statements and representations will be incorporated into any PRIVATE EQUITY+SM Policy issued by the Company.

III. General Risk Information

1. Date **Applicant** was established:

2. Does the **Applicant** have any locations outside Canada? Yes No

If “Yes”, please list country(ies). Attach additional sheets if needed.

3. Is the **Applicant** registered as an investment adviser/investment fund manager with a Canadian Securities Regulator or with the Securities and Exchange Commission pursuant to the Investment Advisers Act of 1940? Yes No

a. If “Yes”, has the **Applicant**, within the last 24 months:

i. Completed a regulatory examination? Yes No

ii. Undergone, but not yet completed, a regulatory examination? Yes No

b. If applicable, please provide a copy of the **Applicant’s** most recent regulatory exam letter and management’s corresponding response letter.

4. Does the **Applicant** have a dedicated Chief Compliance Officer? Yes No

If “No”, please attach a description of how the **Applicant** addresses compliance related issues and requirements.

5. Does the **Applicant** use any third party compliance firms to provide advice regarding regulatory examination preparedness, regulatory compliance and appropriateness of firm controls and procedures? Yes No

If “Yes”, please indicate which firms are utilized:

6. Has any **Applicant** had any unauthorized access, intrusion, breach, compromise or use of the **Applicant’s** computer systems, including embezzlement, fraud, theft of proprietary information, denial of service, electronic vandalism or sabotage, or computer virus? Yes No

If “Yes”, please attach details.

7. Has the **Applicant** or any natural person applying for this insurance been involved in:
a. Any competition, antitrust, copyright or patent litigation? Yes No

b. Any civil, criminal or administrative proceeding, or formal or informal investigation, concerning compliance or noncompliance with any federal or provincial security law or regulation? Yes No

c. Any regulatory inquiries? Yes No

d. Any other criminal action or proceeding? Yes No

e. Any class action, derivative suit or other representative proceeding? Yes No

If “Yes” to any of the above in Question 7, please attach details.

8. Other than those identified in response to Questions 7 above, has any claim been brought at any time during the past 5 years against the **Applicant** or any natural person applying for this insurance? Yes No

If “Yes” to Question 8, please attach details.

IV. Management/Ownership Information

1. Please indicate total number of **Senior Management** members:

 Attach details of previous work and industry experience for each **Senior Management** member.

2. Have there been any departures within **Senior Management** in the last 3 Years? Yes No

If “Yes”, please attach details.

3. Is the **Applicant** expecting any changes in **Senior Management** during the next 12 months? Yes No

If “Yes”, please attach details.

4. Does any third party hold any ownership stake in the **Applicant** or any entity(ies) (other than a Private Equity Fund) applying for coverage under this Policy? Yes No

If “Yes”, please attach the following information for each entity with third party ownership:

- a. Name and description;
- b. Name and description of third party owner, and
- c. Percentage ownership by such third party owner.

5. Has any **Applicant** made at any time during the past 12 months, or is the **Applicant** contemplating, any actual or potential public offering of the **Applicant’s** securities? Yes No

If “Yes”, please attach details.

6. Has any **Applicant** had at any time during the past 12 months, or is the **Applicant** contemplating having, any actual or potential outstanding debt? Yes No

If “Yes”, please attach details.

V. Private Equity Fund Information

1. Please provide total committed capital for all Private Equity Funds in the aggregate, including all Parallel/Side-Car Private Equity Funds, with at least one currently active portfolio company investment:

 2. Please provide the approximate percentage of committed capital by investment strategy for all Private Equity Funds in the aggregate, including all Parallel/Side-Car Private Equity Funds, with at least one currently active portfolio company investment:

_____ %	Seed/early stage venture	_____ %	Buy-out
_____ %	Mid/expansion stage venture	_____ %	Leveraged buy-out
_____ %	Mezzanine	_____ %	Fund of Fund
_____ %	Other: _____	_____ %	Other: _____

3. Have any Private Equity Funds made any investments in anything other than privately held operating companies? Yes No

If “Yes”, please attach details.

4. Is the **Applicant** considering the formation of any new Private Equity Funds within the next 12 months? Yes No

If “Yes”, please attach details of the anticipated total committed capital and investment strategy for each proposed new Private Equity Fund.

5. Please provide the approximate percentage of investors by type for all Private Equity Funds in the aggregate, other than Parallel/Side-Car Private Equity Funds, with at least one currently active portfolio company investment:

%	High Net Worth Individuals	%	Pension Plans
%	Family Offices	%	Other: _____
%	Foundations/Endowments	%	Other: _____

6. Please provide the approximate percentage of repeat investors for each of the **Applicant**’s two most recent Private Equity Funds, other than Parallel/Side-Car Private Equity Funds: Yes No

7. Have any investors ever defaulted on any capital commitments to a Private Equity Fund? Yes No

If “Yes”, please attach details of the applicable Private Equity Fund(s), investor type, amount and reason for each default.

8. Has any **Applicant** had at any time during the past 12 months, or is the **Applicant** anticipating, within the next 12 months any obligation to return any portion of carried interest back to Private Equity Fund investors? Yes No

If “Yes”, please attach details of, and actual or proposed resolution for, each such circumstance.

9. Have any agreements pertaining to fees, carry or distributions related to any Private Equity Fund ever been made with some, but not all, investors of each such Private Equity Fund? Yes No

If “Yes”:

- a. Have all such agreements been disclosed to all investors of each such Private Equity Fund? Yes No

b. Please attach details of each such agreement.

VI. Portfolio Company Information

1. Does the **Applicant** provide services to third parties other than its own Portfolio Companies? Yes No

If “Yes”, please attach details.

2. Does the **Applicant** typically secure board representation when one or more of its Private Equity Funds invests in, or acquires, a Portfolio Company? Yes No

If “Yes”:

- a. Does the **Applicant** require that the Portfolio Company provide management liability insurance on behalf of such board representatives prior to securing Portfolio Company board representation? Yes No
- b. Does the **Applicant** require that such management liability insurance remain in place during the term of service? Yes No
- c. How many board seats does the **Applicant** secure, on average, per Portfolio Company? _____

3. Have any Portfolio Companies ever executed a dividend recapitalization in which the **Applicant** was the recipient of all, or a portion of, the dividend distribution? Yes No

If “Yes”, please attach a list containing the name of each Portfolio Company and the corresponding amount of each dividend recapitalization.

VII. Outside Service Provider Information

1. Has the **Applicant** replaced or changed its outside auditors within the last 3 years? Yes No

If “Yes”, please attach a description of the reason(s).

2. Has the **Applicant** replaced or changed its outside counsel and/or law firm within the last 3 years? Yes No

If “Yes”, please attach a description of the reason(s).

VIII. Risk Management Information

1. Indicate the areas below for which formal written policies, reviews and/or procedures have been implemented by **Senior Management**:

- | | |
|--|---|
| <input type="checkbox"/> PC performance | <input type="checkbox"/> PC “Wind-downs”/liquidations |
| <input type="checkbox"/> PC valuations | <input type="checkbox"/> Actual/threatened litigation |
| <input type="checkbox"/> Insider trading/restricted stock | <input type="checkbox"/> Maintenance of PC insurance |
| <input type="checkbox"/> Distributions to fund investors | <input type="checkbox"/> Regulatory requirements/matters |
| <input type="checkbox"/> Safeguarding of non-public information | <input type="checkbox"/> Conflicts of interest |
| <input type="checkbox"/> PC securities trading during “Black-Out” periods | <input type="checkbox"/> Post-exit PC board representation |

IX. Employment Practices Liability Information

1. Indicate the areas below for which formal written policies, reviews and/or procedures have been implemented by **Senior Management**:

Number of:	Current Year	Prior Year
Full-time employees	_____	_____
Part-time employees (including seasonal and temporary)	_____	_____
Leased Employees (including independent contractors)	_____	_____
Employees located in California	_____	_____
Employees located in a Foreign Country	_____	_____

2. What was the annual employee turnover rate for the last three years?

Past year:	_____ %
Previous year:	_____ %
2 years prior:	_____ %

3. Please indicate the percentage (%) of employees with salaries (including bonuses) of:

a. Less than \$50,000:	_____ %
b. \$50,000 to \$100,000:	_____ %
c. \$100,000 to \$250,000:	_____ %
d. Greater than \$250,000:	_____ %

4. Does the **Applicant** have written policies and procedures regarding:

- a. Anti-Discrimination? Yes No
- b. Anti-Harassment? Yes No
- c. Terminations and layoffs? Yes No
- d. Compliance with regulatory matters? Yes No

If "Yes", how often are such policies and procedures reviewed and/or updated?

Please provide the approximate date of the most recent review and update:

5. Does the **Applicant** have a dedicated Human Resources Department or an individual in charge of Human Resources functions? Yes No

6. Is there an Employee Handbook in place that is distributed to all employees? Yes No

If "Yes", please provide a copy.

7. Does the **Applicant** provide formal training to employees with respect to discrimination and harassment? Yes No

If "Yes", how often is such training provided?

Please provide the approximate date of the most recent training:

8. Does the **Applicant** complete any of the following tests to screen prospective employees prior to hiring:
- a. Education and training verification? Yes No
 - b. Reference checks with all prior employers for the last 5 years? Yes No
 - c. Credit checks for all financially sensitive positions? Yes No
 - d. Criminal history record checks in all jurisdictions in which employee has lived in the last 5 years? Yes No
9. Does the **Applicant** require employees to sign mandatory arbitration agreements or alternative dispute resolution agreements? Yes No

If no, how are disputes with employees resolved?

10. Are all terminations reviewed by Human Resources and/or outside counsel prior to being completed? Yes No
11. Does the **Applicant** anticipate any layoffs, terminations, or reductions in work-force over the next 12 months? Yes No
12. Are there retaliation or whistleblower policies in place? Yes No
- If "Yes", please provide a copy.
13. Do employees have multiple reporting avenues for complaints? Yes No
14. Does the **Applicant** have initiatives in place to promote workplace diversity? Yes No

If "Yes", please provide a copy.

X. Additional Information To Be Attached To This Application

1. Please provide the following for each Private Equity Fund, including Parallel/Side-Car Private Equity Funds, applying for this insurance:
- a. Private Placement Memorandum
 - b. LP/LLC Agreement, including any amendments
 - c. Most recent year-end audited annual report
 - d. Most recent quarterly report to fund investors

2. To the extent any of the following is not already included in the information requested elsewhere in this Application, please provide for each Private Equity Fund the following Portfolio Company and Underlying Fund information (please include all Portfolio Companies and Underlying Funds since each Private Equity Fund's inception):
 - a. Name of Portfolio Company or Underlying Fund
 - b. Nature of business
 - c. Province or country of principal operations
 - d. Sponsor Private Fund(s)
 - e. Date of original investment or acquisition
 - f. Percent of ownership
 - g. Total investment cost
 - h. Current fair market value
 - i. Public or Private
 - j. Current status (IPO, sold, written off, bankrupt, etc)
3. For each publicly traded Portfolio Company, please provide the name(s) of the insurer(s) providing directors and officers liability insurance and total limits of liability purchased from each.
4. Please provide the following for each Subsidiary of the **Applicant**:
 - a. Name
 - b. Percent of ownership
 - c. Date created or acquired
 - d. Nature of business

Check if the **Applicant** has no Subsidiaries.

XI. Representation: Prior Knowledge Of Facts/circumstances/situations

1. The undersigned authorized agents of the persons and entities proposed for this insurance represent, after reasonable inquiry, that no person or entity proposed for coverage under this Policy is aware of any fact, circumstance or situation which could reasonably be expected to give rise to a claim to which the proposed insurance coverage would apply, except as disclosed immediately below (a "Disclosed Matter"):

Check if no Disclosed Matter exists.
2. Without prejudice to any other rights and remedies of the Company, the **Applicant** understands and agrees that if any such fact, circumstance, or situation exists, whether or not disclosed in response to Question 1 above, any claim or action arising from such fact, circumstance, or situation is excluded from coverage under the proposed policy, if issued by the Company.

XII. Material Change:

If there is any material change in the answers to the questions in this Private Equity+SM New Line Application before the policy inception date, the **Applicant** must immediately notify the Company in writing, and any outstanding quotation may be modified or withdrawn.

XIII. Declarations, Fraud Warnings And Signatures:

The **Applicant's** submission of this Private Equity+SM New Line Application does not obligate the Company to issue, or the **Applicant** to purchase, a policy. The **Applicant** will be advised if the Private Equity+SM New Line Application for coverage is accepted. The **Applicant** hereby authorizes the Company to make any inquiry in connection with this Private Equity+SM New Line Application.

The undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance declare that to the best of their knowledge and belief, after reasonable inquiry, the statements made in this Private Equity+SM New Line Application and in any attachments or other documents submitted with this Private Equity+SM New Line Application are true and complete. The undersigned agree that this Private Equity+SM New Line Application and such attachments and other documents shall be the basis of the insurance policy should a policy providing the requested coverage be issued; that all such materials shall be deemed to be attached to and shall form a part of any such policy; and that the Company will have relied on all such materials in issuing any such policy.

The information requested in this Private Equity+SM New Line Application is for underwriting purposes only and does not constitute notice to the Company under any policy of a Claim or potential Claim.

Date	Signature	Title
_____	_____	Chief Financial Officer
_____	_____	General Partner/Managing Member

*This Private Equity+SM New Line Application must be signed by the chief financial officer and general partner or managing member (or equivalent position) of the Private Equity Firm acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance.