

## ARCH CANOPY POLICY FOR NONPROFIT ORGANIZATIONS<sup>SM</sup> APPLICATION

**NOTICE: THE LIABILITY COVERAGE PARTS OF THIS POLICY PROVIDE CLAIMS MADE COVERAGE. EXCEPT AS OTHERWISE PROVIDED, SUCH COVERAGE APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER NO LATER THAN 60 DAYS AFTER THE END OF THE POLICY PERIOD. EACH APPLICABLE LIMIT OF LIABILITY SHALL BE REDUCED, AND MAY BE EXHAUSTED, BY DEFENSE COSTS PAYMENTS. IF ANY LIMIT OF LIABILITY IS EXHAUSTED, THE INSURER SHALL HAVE NO FURTHER LIABILITY FOR THE COVERAGE TO WHICH SUCH LIMIT APPLIES, INCLUDING LIABILITY FOR DEFENSE COSTS. ALL LOSS PAYMENTS, INCLUDING DEFENSE COSTS PAYMENTS, SHALL APPLY TO THE DEDUCTIBLE.**

**NOTICE: A POLICY CANNOT BE ISSUED UNLESS THE APPLICATION IS PROPERLY SIGNED AND DATED.**

**NOTICE: THIS APPLICATION, INCLUDING ANY INFORMATION AND MATERIALS SUBMITTED WITH THIS APPLICATION, SHALL BE HELD IN CONFIDENCE.**

### Instructions for Completing This Application

Please read carefully, fully answer all questions, and submit all requested information. As used herein, "Applicant" means the organization specified in item 1 below and any entity and employee benefit plan sponsored by such organization.

#### 1. NAME, ADDRESS, AND CONTACT INFORMATION

Name of Applicant: \_\_\_\_\_

Principal Address: \_\_\_\_\_

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

State of Incorporation: \_\_\_\_\_

Date of Incorporation: \_\_\_\_\_

Website Address (if applicable): \_\_\_\_\_

Insurance Representative: \_\_\_\_\_

Nature of Operations: \_\_\_\_\_

#### 2. COVERAGE(S) APPLIED FOR

Select each coverage applied for and insert the requested limit of liability. Complete the items below relevant to each coverage applied for.

Nonprofit Organization Liability      Limit of Liability Requested: \$ \_\_\_\_\_

Employment Practice Liability      Limit of Liability Requested: \$ \_\_\_\_\_

Fiduciary Liability      Limit of Liability Requested: \$ \_\_\_\_\_

Crime      Limit of Liability Requested: \$ \_\_\_\_\_

Kidnap, Ransom & Extortion      Limit of Liability Requested: \$ \_\_\_\_\_

**3. GENERAL ORGANIZATION INFORMATION**

**A. Does the Applicant:**

- 1. Have tax exempt status as defined by the I.R.S.? .....  Yes  No
- 2. Currently have or previously had any disputes as to the applicant's tax exempt status? ..  Yes  No

If "Yes" for 1 or 2 above, attach a detailed explanation

**B. Does the Applicant:**

- 1. Have any non-profit subsidiaries for which coverage is requested? .....  Yes  No
- 2. Have any for-profit subsidiaries or entities for which coverage is requested? .....  Yes  No
- 3. Participate in any joint ventures? .....  Yes  No

If "Yes", attach a detailed description, including nature of operations and percentage ownership held by the Applicant. For-profit entities are covered only if listed in the Policy.

**C. Has the Applicant experienced within the past year, or does it expect to experience in the next year, any of the following events:**

- 1. Mergers, acquisitions or divestments? .....  Yes  No
- 2. Change in outside auditors? .....  Yes  No
- 3. Bankruptcy proceedings or reorganizations or arrangements with creditors under federal or state law? .....  Yes  No
- 4. Location, facility, or office closings, consolidations or layoffs? .....  Yes  No
- 5. Changes in its Board of Directors or senior management? .....  Yes  No
- 6. Changes in its operations or services? .....  Yes  No
- 7. Debt offering? .....  Yes  No
- 8. Breach or violation of any debt covenant, loan agreement, or other material contractual obligation? .....  Yes  No

If "Yes" for 1 through 8 above, attach a detailed explanation.

**D. Please complete the following information (for the current year):**

Total Revenue: \$ \_\_\_\_\_ Change in Net Assets: ..... \$ \_\_\_\_\_  
Total Assets: \$ \_\_\_\_\_ Operating Cash Flow: ..... \$ \_\_\_\_\_  
Total Liabilities: \$ \_\_\_\_\_ Employees: \_\_\_\_\_

Please provide a copy of the most recent audited financial statements.

**E. Please describe any professional services provided to others including (but not limited to) licensing activities, healthcare, counseling, peer review, credentialing, accrediting or standards-setting:**

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4. LOSS/CLAIMS INFORMATION

A. Regarding the coverage(s) applied for, has the Applicant given notice of any claim, circumstance, potential claim, or loss to any insurer? ...  Yes  No

If "Yes", attach a detailed explanation of all such claims, circumstances, potential claims, and losses.

B. Has the Applicant or any person or entity proposed for coverage been the subject of, or been involved in, any civil, criminal or administrative actions or proceedings during the past 5 years, including (but not limited to):

- 1. Anti-trust, copyright or patent litigation? ...  Yes  No
2. Discrimination or harassment? ...  Yes  No
3. Revocation or suspension of a license? ...  Yes  No
4. Alleged violations of any federal or state securities laws? ...  Yes  No
5. Any other civil, criminal or administrative actions or proceedings? ...  Yes  No

If "Yes" for 1 through 5 above, attach a detailed explanation

C. Regarding the coverage(s) applied for, has any insurer canceled or refused to renew any such coverage(s) within the past 3 years? ...  Yes  No

D. Regarding the coverage(s) applied for, are there any pending claims against any person or entity proposed for coverage that may fall within the scope of such coverages? ...  Yes  No

5. EMPLOYMENT PRACTICES INFORMATION

A. Employee Count Current Year Previous Year

- 1. Full time employees: \_\_\_\_\_
2. Part time employees: \_\_\_\_\_
3. Volunteers: \_\_\_\_\_
4. Employees located in CA: \_\_\_\_\_
5. Employees located outside US: \_\_\_\_\_
6. Independent contractors: \_\_\_\_\_

B. Does the Applicant have written procedures in place regarding:

- 1. Equal Opportunity Employment? ...  Yes  No
2. Prohibition of Discrimination and Sexual Harassment? ...  Yes  No
3. Progressive Discipline? ...  Yes  No
4. Handling of complaints of sexual harassment or discrimination? ...  Yes  No
5. Hiring and firing of employees? ...  Yes  No
6. Employee conduct when dealing with third parties? ...  Yes  No
7. Handling of complaints from third parties? ...  Yes  No
8. Electronic communication and use of technology? ...  Yes  No

**C. Does the Applicant:**

- 1. Have a full time Human Resources (HR) manager or department? .....  Yes  No
- 2. Use any tests to screen applicants or employees for hiring, promotion or continued employment? (If "Yes," attach a description of such tests.) .....  Yes  No
- 3. Distribute and record the receipt of the employee handbook to all employees? .....  Yes  No
- 4. Provide training regarding discrimination and sexual harassment prohibition policies for:
  - a. All Employees? .....  Yes  No
  - b. Officers and Managers? .....  Yes  No
- 5. Review all terminations beforehand with HR and/or legal counsel? .....  Yes  No

**6. FIDUCIARY INFORMATION**

**A. Pension Benefit Plan Information**

For each pension benefit plan proposed for coverage:

- 1. Provide the following information:

Plan Name	Type of Plan*	Total Assets (\$)	Annual Contributions	Number of Participants
			\$	
			\$	
			\$	

\* Defined Benefit (DB); Defined Contribution (DC); Excess Benefit or Top Hat (EB); Other (O)

- 2. List name of independent investment manager.  
If none, who is responsible for making investment decisions?  
\_\_\_\_\_
- 3. Are there any current investments in real estate or mortgages, guaranteed investment contracts, guaranteed annuity contracts or bank investment contracts? .....  Yes  No  
If "Yes", provide percentages.  
\_\_\_\_\_

**B. Compliance and Plan Changes**

For each pension benefit plan proposed for coverage:

- 1. Have there been any mergers or terminations during the past year? .....  Yes  No
- 2. Has the Applicant experienced within the past year, or does it expect to experience in the next two years, any reductions in plan benefits? .....  Yes  No
- 3. Has any plan experienced an event reportable to the Pension Benefit Guaranty Corporation or been investigated by the Department of Labor or Internal Revenue Service? .....  Yes  No
- 4. Are there any outstanding delinquent contributions owed to any plans? .....  Yes  No  
If "Yes" to questions 1 through 4 above, attach a detailed explanation.

**7. CRIME INFORMATION**

A. Please describe any 'hotline' or system the Applicant has established for employees to report fraud or theft:

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B. Does an independent CPA provide a Management Letter to the Applicant? . . . . .  Yes  No

If "Yes", please attach the most recent copy and management's response to the letter.

C. Does the Applicant:

- 1. Allow employees who reconcile monthly bank statements to also sign checks or handle deposits? . . . . .  Yes  No
- 2. Conduct perpetual inventory of any equipment, supplies or other purchased goods? . . . . .  Yes  No
- 3. Have procedures in place to verify the existence and ownership of all new vendors prior to adding them to the authorized master vendor list? . . . . .  Yes  No
- 4. Verify invoices against a corresponding purchase order, receiving report and the authorized master vendor list prior to issuing payment? . . . . .  Yes  No
- 5. Conduct an external audit of all its locations and any applicable joint ventures? . . . . .  Yes  No
- 6. Apply consistent purchasing, inventory and account payable procedures and controls for all locations? . . . . .  Yes  No
- 7. Perform pre-employment reference checks for all potential employees? . . . . .  Yes  No

D. Does the Applicant handle any money, securities or other property for outside clients? . . . . .  Yes  No

If "Yes", please attach a detailed explanation.

**8. KIDNAP, RANSOM AND EXTORTION INFORMATION**

Please complete the following information regarding the foreign travel of the Applicant's employees:

Country Visited	Trips per year	Average Stay	Number of employees

**9. PRIOR KNOWLEDGE - ALL COVERAGE PARTS (DO NOT COMPLETE FOR RENEWAL APPLICATIONS)**

Does any person or entity proposed for coverage have any knowledge of or information concerning any actual or alleged act, error, omission, fact or circumstance which may result in a claim that may fall within the scope of coverage applied for? . . . . .  Yes  No

**IT IS AGREED THAT ANY CLAIM ARISING FROM, BASED UPON, OR ATTRIBUTABLE TO ANY ACTUAL OR ALLEGED ACT, ERROR, OMISSION, FACT OR CIRCUMSTANCE OF WHICH ANY SUCH PERSON OR ORGANIZATION HAS ANY KNOWLEDGE OR INFORMATION WILL BE EXCLUDED FROM COVERAGE UNDER THE PROPOSED INSURANCE.**

The Applicant declares that the information in this Application and in the materials submitted herewith is true, accurate and complete. Signing this Application does not bind the Applicant to purchase insurance, but it is agreed that this Application shall be the basis of any insurance policy issued.

The information requested in this Application does not constitute notice under any policy of a claim or potential claim. All such notices must be submitted pursuant to the terms of the policy under which coverage is sought.

If there is any material change in the answers to the questions in this Application before the policy inception date, the Applicant must immediately notify the Insurer in writing. In such case, any outstanding quotation may be modified or withdrawn.

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**NOTICE: ANY PERSON WHO, KNOWINGLY OR WITH INTENT TO DEFRAUD OR TO FACILITATE A FRAUD AGAINST ANY INSURANCE COMPANY OR OTHER PERSON, SUBMITS AN APPLICATION OR FILES A CLAIM FOR INSURANCE CONTAINING FALSE, DECEPTIVE OR MISLEADING INFORMATION MAY BE GUILTY OF INSURANCE FRAUD**

**NOTICE TO ARKANSAS, LOUISIANA AND 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 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 containing any false, incomplete or misleading information is guilty of a felony in the third degree.

**NOTICE TO KENTUCKY APPLICANTS:** Any person who knowingly and with the 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 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 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 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 PENNSYLVANIA APPLICANTS:** Any person who knowingly and with the 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 PUERTO RICO APPLICANTS:** Any person who knowingly and with the 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.

**NOTICE TO TENNESSEE, VIRGINIA & 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.

**This Application must be signed by any one of the following officials of the Applicant: Chief Executive Officer, Executive Director, Chief Financial Officer, President, General Counsel, Trustee, or Chairperson or any equivalent position.**

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

Signature: \_\_\_\_\_

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

**Program Administrator:**



**Affinity Nonprofits**

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