



Supplemental Application for Financial Institution Trust Errors and Omissions Coverage
as attachment to application SCB004

NOTICE: THE LIABILITY POLICY WHICH MAY BE ISSUED BASED UPON THIS APPLICATION IS A CLAIMS MADE POLICY, WRITTEN ON A NO DUTY TO DEFEND BASIS, AND, SUBJECT TO ITS PROVISIONS, APPLIES ONLY TO ANY CLAIM FIRST MADE DURING THE POLICY PERIOD. NO COVERAGE EXISTS FOR CLAIMS FIRST MADE AFTER THE END OF THE POLICY PERIOD UNLESS, AND TO THE EXTENT THAT, THE DISCOVERY PERIOD APPLIES. DEFENSE COSTS REDUCE THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTION. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

Name of Financial Institution: *List all entities applying for coverage, including all subsidiaries.*

Address: _____

Telephone: _____ Fax: _____ FDIC No: _____ Website: _____

GENERAL INFORMATION

- | | | |
|--|-------|----|
| 1. Year Trust Department services were established or acquired: | _____ | |
| 2. Have any Trust Department functions been discontinued within the past 12 months? | Yes * | No |
| a) Is any discontinuation or significant change in the functions of the Trust Department contemplated within the next 12 months? | Yes * | No |
| 3. Gross revenue of the Trust Department of the Financial Institution and its subsidiaries for the most recent fiscal year: | _____ | |
| 4. Number of Trust Department Officers: | _____ | |
| a) Average length of experience for the Trust Department Officers | _____ | |
| b) Does the Trust Department have its own Compliance Officer? | Yes | No |

UNDERWRITING INFORMATION

- | | | |
|---|------------------|-----------------|
| 5. Does the Financial Institution and its subsidiaries require a hold harmless agreement when succeeding another institution or person as trustee? | Yes | No* |
| 6. Who provides legal counsel to the Trust Department? | In-house Counsel | Outside Counsel |
| 7. How often are account statements provided to clients? | Monthly | Quarterly |
| | Other | _____ |
| 8. Does the Financial Institution or any subsidiary own 5% or more of the stock of any corporation via its trust functions? | Yes * | No |
| a) If yes, does any director, officer or employee of the Financial Institution or its subsidiaries act in the capacity of director, officer or manager of any above referenced corporation? | Yes * | No |
| It is understood and agreed that coverage is not provided under this policy for the outside positions or corporations listed in conjunction with the above question. | | |
| 9. Does the Trust Department have written policies and procedures for: | | |
| a) Approval of new accounts? | Yes | No* |
| b) Approval for closing accounts? | Yes | No* |
| c) Review of accounts on a periodic basis? | Yes | No* |
| d) Approval of the purchase and sale of trust assets? | Yes | No* |
| e) Conflict of interest | Yes | No* |
| f) Performance of the trustees administrative duties | Yes | No* |

* Please provide details by attachment.

10. Indicate below the types of accounts currently administered by the Trust Department of the Financial Institution and its subsidiaries and the consolidated market value of the assets for each type as of the most recent valuation date:

	Number of Accounts	Market Value of Assets	Percentage of Assets Under Management		
			Discretionary Accounts	Non-Discretionary Accounts	Custodial Accounts
Individual trusts			%	%	%
Estates			%	%	%
ERISA accounts			%	%	%
Corporate Trusts			%	%	%
Mutual Funds			%	%	%

11. Check each of the following for which the Financial Institution or any subsidiary provides services:

Trustee, Management or Advisory Services Regarding:	Number of Clients	Percent of Annual Revenue
Closely-held businesses		%
Farms or ranches		%
Mergers, acquisitions or takeovers		%
Other real estate		%
Oil & gas or other mineral leases		%
Timber interests		%
Serve as a Trustee for:		
Bankruptcy		%
Debt underwritten by the Financial Institution		%
Equipment trusts/leases		%
Municipal, corporate or other debt securities		%
Securities backed by loans to third parties		%
Other:		
Participation in repurchase/reverse repurchase agreements		%

12. Does the Trust Department have a list of approved securities which can be recommended? Yes No*

13. What is the source of investment research used by the Trust Department?

In-house Staff External Source (Name): _____

14. Check any of the following investments currently offered or recommended by the Financial Institution or any subsidiary:

Below Investment Grade Bonds	Over-the-Counter Securities	Commodity or Other Futures
Cattle Trusts or Ventures	Restricted Securities	Covered Call Options
General Limited Partnerships	Foreign Securities (US Exchange)	Option Contracts or Futures
Oil/Gas Leases or Investments	International Securities	Precious Metals
Real Estate	(Foreign Exchange)	
	Mortgages, Mortgage Pools or	
	Other Mortgage-Backed Securities	

15. Does the Financial Institution or any subsidiary plan to change trust accounting systems within the next 12 months? Yes * No

16. Is there any commingling of the assets of any trust, estate or receivership with the assets of the Financial Institution, any subsidiary or any other trust, estate or receivership? Yes * No

17. Does the Financial Institution or any subsidiary handle the collection of funds on behalf of any trust, estate, guardianship or receivership? Yes * No

* Please provide details by attachment.

LOSSES, PENDING LITIGATION AND CLAIMS HISTORY
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For New Coverage:

- | | | |
|--|------|----|
| 18. Is the Financial Institution or any subsidiary a defendant in any lawsuit which, if the allegations are proven, could materially affect the financial condition of the Financial Institution or any subsidiary? | Yes* | No |
| 19. Does any director/trustee or officer have any knowledge of any fact, circumstance or situation involving the Financial Institution, its subsidiaries, or any past or present director/trustee, officer or employee, which could reasonably be expected to give rise to a future Trust Errors & Omissions loss? | Yes* | No |

For Renewing Coverage:

- | | | |
|---|------|----|
| 20. Are there any claims or potential claims that have not been reported to the insurer involving the Financial Institution, any subsidiary, or any Insured Person resulting from their activities as such? | Yes* | No |
|---|------|----|

** Please provide details by attachment.*

Documents to be submitted with this supplemental application:

- Details to questions as requested above.
- Latest independent audit report of trust functions.
- Latest annual report for each common trust fund.
- Latest internal audit report of trust functions and any written response thereto.

REPRESENTATION STATEMENT

The undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance agree and declare to the best of their knowledge and belief, after reasonable inquiry, the statements in the application, this supplemental application, and any additional material submitted, are true and complete, and that reasonable efforts have been made to obtain sufficient information from each and every individual or entity proposed for this insurance to facilitate the proper and accurate completion of this application.

The undersigned authorized agents understand and agree:

- The submission of the application, this supplemental application, and any attachments does not obligate the insurer to issue, or the applicant to purchase a policy. The applicant will be advised by the insurer if the application for coverage is accepted.
- Coverage will not be provided for any service or activity unless listed in the application, an applicable supplemental application, or additional materials and expressly agreed by the insurer.
- If there is any material change in the answers to the questions in the application, this supplemental application, or any attachments, before the policy inception date, the applicant will immediately notify the insurer in writing and any outstanding quotation may be modified or withdrawn.
- If a policy is issued, the insurer relied upon this application, any previous application, any supplemental application, and any additional materials submitted in issuing each such policy and any endorsements thereto.
- The application, this supplemental application, and its attachments shall be the basis of a contract should a policy providing the requested coverage be issued and shall be deemed to be attached to and shall form a part of any such policy.
- The policy which may be issued based upon the application and this supplemental application provides claims made coverage, which applies only to claims first made during the policy period, or any extended reporting period. The limit of liability to pay loss will be reduced, and may be exhausted, by defense costs, and defense costs will be applied against the retention. In no event will the insurer be liable for defense costs or any other loss in excess of the applicable limit of liability.
- For new coverage, any claim arising from prior or pending litigation or any prior written or oral demand shall be excluded from coverage. If knowledge of any fact, circumstance or situation exists, any claim or action subsequently arising therefrom shall be excluded from coverage.
- For renewal coverage, any increased limit of liability or coverage enhancement shall not apply to any claim, facts, circumstances or situations for which the insurer has already received notice or that the undersigned or any insured has knowledge of which could reasonably be expected to give rise to a future claim.
- The information provided in the application, this supplemental application, and any attachments is for underwriting purposes only and does not constitute notice to the insurer under any policy of a claim or potential claim.

FRAUD WARNING NOTICES

Any person who knowingly and with intent to defraud any insurance company or another 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 the person to criminal and civil penalties. In the District of Columbia, Louisiana, Maine and Tennessee, insurance benefits may also be denied.

COLORADO FRAUD WARNING: 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.

HAWAII FRAUD WARNING: For your protection, Hawaii Law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment or both.

KENTUCKY FRAUD WARNING: 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 act, which is a crime.

MINNESOTA FRAUD WARNING: Fraud, material misrepresentation and material omission with the knowledge of the Insured is the only basis for voiding an insurance contract in Minnesota.

NEBRASKA FRAUD WARNING: Any person who knowingly presents false information in an application for insurance or viatical settlement contract is guilty of a crime and may be subject to fines and confinement in prison.

OHIO FRAUD WARNING: 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 FRAUD WARNING: 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.

OREGON FRAUD WARNING: 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 deceptive insurance act and may be found guilty of insurance fraud by a court of law.

VERMONT FRAUD WARNING: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

VIRGINIA FRAUD WARNING: 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.

WASHINGTON FRAUD WARNING: 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.

NEW YORK 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, 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 APPLICATION MUST BE SIGNED BY (1) THE CHIEF EXECUTIVE OFFICER, PRESIDENT OR CHAIRMAN, AND (2) THE CHIEF FINANCIAL OFFICER OR EQUIVALENT OFFICER, WITH THE UNDERSTANDING AND AGREEMENT THAT, AFTER HAVING READ THE ENTIRE APPLICATION AND REPRESENTATION STATEMENTS, BOTH SUCH INDIVIDUAL SIGNERS ARE ACTING AS THE AUTHORIZED AGENTS OF ALL INDIVIDUALS AND ENTITIES PROPOSED FOR THIS INSURANCE.

Chief Executive Officer, President or Chairman of the Board:

Print Name:	Signature:
Title:	Date:

Chief Financial Officer or Equivalent Officer:

Print Name:	Signature:
Title:	Date:

Submitted by:

Insurance Agency or Broker Name:	Date Submitted:
Address: (<i>Street, City, State and zip code</i>)	E-mail Address:
Print Name:	Signature: