



Name of Insurance Company to which application is made

**Proposal Form
Financial Institutions
Professional Liability Insurance**

NOTICE: THIS IS A CLAIMS-MADE POLICY. EXCEPT AS MAY BE OTHERWISE PROVIDED HEREIN, THE COVERAGE OF THIS POLICY IS LIMITED TO LIABILITY FOR WRONGFUL ACTS FOR WHICH CLAIMS ARE FIRST MADE WHILE THE POLICY IS IN FORCE AND WHICH ARE REPORTED TO THE INSURER, AS SOON AS PRACTICABLE, BUT NO LATER THAN SIXTY (60) DAYS AFTER THE TERMINATION OF THE POLICY. PLEASE READ AND REVIEW THE POLICY CAREFULLY.

THE LIMIT OF LIABILITY AVAILABLE TO PAY LOSS, INCLUDING JUDGMENTS OR SETTLEMENTS, SHALL BE REDUCED BY DEFENSE EXPENSES. FURTHER NOTE THAT DEFENSE EXPENSES SHALL BE APPLIED AGAINST THE APPLICABLE RETENTION AMOUNT.

THE POLICY DOES NOT PROVIDE FOR ANY DUTY OR OBLIGATION ON THE PART OF THE INSURER TO DEFEND THE INSURED.

As an attachment to this Proposal, please include the following:

- Latest two annual reports, including statements of condition, earning statements and reserve for loan loss statements.
- Latest quarterly interim statement of condition, earnings statement and reserve for loan losses.
- Latest 10-K and 10-Q Reports filed with the SEC.

1) a. Name of Applicant

Address

b. Number of Directors _____ Officers _____ & Employees _____ of Applicant

c. Date established (including any predecessor firm) _____

Note: If more than one entity is to be insured, attach a separate sheet stating name and relationship of each entity more than 50% owned, indicating type of operations, date acquired or created, domestic or foreign, and Name of Parent.

- 2) a. Year Trust Department established _____
- b. Number of Branches with Trust Department _____
- c. Number of Officers in Trust Department _____
- d. Number of Employees (Excluding Officers) in Trust Department _____

3) With respect to all Trust Accounts, please complete the following:

	<u>Market Value of Assets</u>	<u># of Accounts</u>	<u>Discre- tionary</u>	<u>Non-dis cretionary/ Custodial Advisory</u>
a. Individual (Trust, Estates, Etc.)	_____	_____	_____ %	_____ %
b. HR-10 & IRA Plans	_____	_____	_____ %	_____ %
c. ERISA Fiduciary Plans				
(a) Outside Plan *	_____	_____	_____ %	_____ %
(b) In-house Plans	_____	_____	_____ %	_____ %
d. Non-ERISA Pension Plans, Etc.	_____	_____	_____ %	_____ %
e. Other Institutional	_____	_____	_____ %	_____ %
f. All other accounts (Specify)	_____	_____	_____ %	_____ %

* ("Outside" ERISA Plans are those sponsored by firms outside the Applicant's own parent-subsiary group.)

4) With respect to the Corporate Trust Division, please complete the following. (Please include amounts pertaining to the Mutual Funds and attach the latest Prospectus for each fund):

	<u># of Accounts</u>	<u>Asset Value</u>
a. Transfer Agent	_____	_____
b. Registrar	_____	_____
c. Dividend Disbursing Agent	_____	_____
d. Fiscal or Paying Agent	_____	_____
e. Trustee under Bond		

Indenture	_____	_____
f. Escrow Agent (not involving exercise of discretion, or active management)	_____	_____
g. Mutual Fund Shareholder Account:		
# of Funds	_____	_____
# of Shareholder Accounts	_____	_____
h. Automatic Dividend Reinvestment Service:		
# of firms for whose stock the service is offered	_____	_____
# of Shareholder accounts	_____	_____
i. Other (specify)	_____	_____

5) Does the Trust Department perform Trustee, Management or Advisory functions with respect to the Farms, Ranches, or other Real Estate, Oil, Gas or other mineral leases or interests, including Timber or Client Corporations or business where the Trust Department is involved in actual operations? Yes_____ No_____

Please describe, giving for each applicable category, the number of clients and the percentage to total Trust Department revenues derived.

6) Does the Applicant manage any Common Trust Funds? Yes_____ No_____
If Yes, please complete the following:

NAME OF TRUST FUNDS	MARKET VALUE OF ASSETS
_____	_____
_____	_____

Please submit the latest Annual Report for each fund.

- 7) Does the Applicant control 5% or more of the stock of any corporation via the operations of its Trust Department? If so, attach listing and describe means by which control in the Trust Department was obtained (e.g. through individual purchases or in a single block through an existing trust or estate). Yes_____ No_____
- 8) a. Does the Applicant in any Department recommend investments in, or have involvement with, specialty areas other than commonly traded securities? (Specialty areas include Real Estate, Mortgages, Precious Metals, Commodity or other Futures, Restricted Securities, Oil and Gas Joint Ventures, Cattle Trusts or Limited Partnerships of any type.)
Yes_____ No_____
- b. If Yes, please describe which specialty area and state its percentage of total investments.
- 9) Does the Applicant act as an Investment Counselor? Yes_____ No_____

If Yes, please complete the following and submit a copy of the Discretionary Management Agreement.

	<u>Market Asset Value</u>	<u>Number of Accounts</u>
a. Discretionary Accounts:		
ERISA Defined Benefit Plans (Except HR-10's and IRA's)	\$_____	_____
ERISA Defined Contribution Plans	\$_____	_____
HR-10 and IRA Plans	\$_____	_____
Non-ERISA Pension & Employee Benefit Plans	\$_____	_____
Mutual Funds	\$_____	_____
REITS	\$_____	_____
All other Accounts	\$_____	_____
Accounts for which Applicant is Trustee	\$_____	_____
Total Book Value of all accounts	\$_____	_____

b. Non-Discretionary Accounts:		
ERISA Defined Benefit Plans (Except HR-10's and IRA's)	\$ _____	_____
ERISA Defined Contribution Plans	\$ _____	_____
HR-10 and IRA Plans	\$ _____	_____
Non-ERISA Pension & Employee Benefit Plans	\$ _____	_____
All other Accounts	\$ _____	_____
Total Book Value of all accounts	\$ _____	_____

10) With respect to the Employee Retirement Income Security Act of 1974:

- a. If a Defined Benefit Plan and more than 10% of the assets are investments in securities or real property of the Sponsor Organization and/or its subsidiaries, outline procedures to be implemented to reduce this amount.

- b. If any other prohibitive transactions exist, what steps has the fiduciary taken to comply with the Employee Retirement Security Act of 1974?

11) With respect to clients other than custodial accounts:

- a. How often are financial reports rendered to various clients?
- b. Does the Applicant have an "approved" list of securities which can be recommended to all clients? Yes _____ No _____

12) What approximate percentage of annual income is derived from the following:

Trust Department _____

Municipal Bond Department _____

Foreign Exchange _____

Commercial Loans (Domestic)_____ (Foreign)_____

Installment Lending_____

Retail Banking (Deposits)_____

Wholesale Banking_____

Loan Servicing_____

Credit Card Operations_____

Non-Banking Subsidiaries_____

Mortgage Banker Subsidiary_____

Finance Co. Subsidiary_____

Discount Brokerage Services_____

Investment Counseling_____

Electronic Data Processing_____

Other (Specify)_____

- 13) a. What Electronic Funds Transfer System (EFTS) does the Applicant have or subscribe to?
- b. Does the Applicant have an EFTS allowing customers direct access to the System?
If Yes, please describe and include a copy of the contract with these customers.
Yes_____ No_____
- c. What coverage for EFTS exposures is available under the Applicant's Bankers Blanket Bond?
- d. Does the Applicant act as a service bureau for corporate customer?
Yes_____ No_____
- If Yes, please support details, including a copy of the service contract.

14) General Description of Data Processing

	<u>SERVICE CLASS</u>	<u>YES</u>	<u>NO</u>	<u>IN HOUSE OR SERVICE BUREAU</u>
a.	Demand Deposit	_____	_____	_____
b.	Commercial Deposit	_____	_____	_____
c.	Time Deposit	_____	_____	_____
d.	Retail Loans	_____	_____	_____
e.	Commercial Loans	_____	_____	_____
f.	Letters of Credit	_____	_____	_____
g.	Funds Transfer	_____	_____	_____
h.	Foreign Exchange Dealings	_____	_____	_____
i.	Securities Transfer	_____	_____	_____
j.	Securities Custody	_____	_____	_____
k.	Miscellaneous/Other	_____	_____	_____

15) Automated Clearing

- a. Do you engage in a system of clearing debits and credits electronically through an automated clearing house or association? Yes_____ No_____
- b. Do you use such a system to direct deposits of recurring government payments and business payrolls as well as automated bill payments, such as insurance premiums, mortgage payments, etc.? Yes_____ No_____

Identify the Automated Clearing System to which you belong. (Please attach a copy of the Agreement)

16) Does the applicant provide Management Services to customers via computer link?

Yes_____ No_____

If Yes, please describe the various functions?

- 17) With respect to real property for which any department or subsidiary is responsible:
- a. State total value of all such properties _____
 - b. State total number of locations _____
 - c. Are insurance matters connected with these properties reviewed annually and appraisals marketed every three years? Yes_____ No_____ (Please describe)
 - d. To the best of the Applicant's knowledge, are all such properties adequately insured? Yes_____ No_____ (If No, please explain)
 - e. Attach a schedule of properties valued at more than \$300,000. Give locations and estimated insured amount.
- 18) List non-banking services performed for customers (Example: EDP, Accounting, Architectural, Insurance, Travel Agency, Brokerage, etc.) List prior and current year annual revenues (\$) derived from such services.
- 19) a. Has any other entity been merged into, or acquired by, the Applicant within the last five (5) years? Yes_____ No_____
- b. Has the Applicant publicly revealed that it has under consideration at the present time any acquisitions, tender offers or mergers? Yes_____ No_____ If Yes, give details.
- c. Was any acquisition or merger the result of any arrangement by a regulatory agency? Yes_____ No_____
- If Yes, please give details and explain the terms of acquisition or merger.

- 20) a. What regulatory agencies have examination authority over Applicant and subsidiaries?
- b. How frequently are examinations performed?
- c. Date of last examination.
- d. State the total amount of all classified loans.
- e. Have all recommendations or criticisms of the last examination report been complied with as respects the Applicant and subsidiaries? Yes_____ No_____ If not, please explain (Attach separate sheet if necessary).
- f. Has the Applicant or any subsidiary ever received a cease or desist order from any regulator's agency? Yes_____ No_____
- If yes, indicate frequency and extent of.
- g. Internal Audit_____
- h. Outside Audit_____
- i. Firm_____
- 21) a. Name of Legal Counsel_____
- b. Name and address of any actuarial, consulting or other firms used by Applicant under contract.

22) With respect to other coverages presently carried by the Applicant, please complete the following:

	<u>CARRIER</u>	<u>LIMIT</u>	<u>TERM</u>	<u>PREMIUM</u>	<u>SELF INSURED RETENTION</u>
a. Directors & Officers Liability	_____				
b. Bankers Blanket Bond	_____				
c. Pension Trust Liability	_____				
d. Fiduciary Liability (ERISA)	_____				
e. Data Processing Errors & Omissions	_____				
f. Trust Department Errors & Omissions	_____				
g. Safe Depository Legal Liability (please indicate if written on a voluntary pay basis)	_____				
h. Mortgage Interest Errors & Omissions	_____				

23) With respect to the coverages described in Question 22, have any losses been paid by the carriers, or are there any losses which are expected to be paid by the carriers? Yes_____ No_____ If Yes, please give complete details.

- 24) a. Have any suits been made against the Applicant or any of its present or past Fiduciaries, Directors, Officers, Employees, Trustees, Pension Committee or Advisory Board Members of any of the Employee Benefit Plans? If none, so state. If Yes, please attach claims history showing number of claims and amount including defense costs and describe in detail any case exceeding \$50,000.
- b. Provide details of any losses through negligence, errors or omissions involving any department or subsidiary.

- 25) No claim which, if insurance had ever been or were now in force similar to that now applied for, would have fallen within the scope of such insurance has been made or is now pending against any person proposed for insurance in the capacity of either Director, Officer, or Employee of the Applicant or is now pending against the Applicant, except as follows: If none, so state.
- 26) Does the Applicant or any of its Partners, Directors, Officers or Employees have any knowledge of any fact, circumstance or act which might give rise to a claim under the proposed policy? Yes _____ No _____ (If yes, attach full details):

Pertaining to Questions 25 and 26 above, it is agreed that if the Undersigned or any Insured proposed for this insurance has knowledge of any such fact or circumstance or if such pending or prior claim or suit exists, then any claim or suit arising therefrom shall be excluded from coverage under the proposed policy.

THE UNDERSIGNED AUTHORIZED OFFICER OF THE PROPOSAL DECLARES THAT THE STATEMENTS SET FORTH HEREIN ARE TRUE. THE UNDERSIGNED AUTHORIZED OFFICER AGREES THAT IF THE INFORMATION SUPPLIED ON THIS PROPOSAL CHANGES BETWEEN THE DATE OF THIS PROPOSAL 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 QUOTATIONS AND/OR AUTHORIZATIONS OR AGREEMENTS TO BIND THE INSURANCE.

SIGNING OF THIS PROPOSAL DOES NOT BIND THE APPLICANT OR THE INSURER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THIS PROPOSAL SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED AND IT WILL BE ATTACHED TO AND BECOME A PART OF THE POLICY.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS PROPOSAL ARE HEREBY INCORPORATED BY REFERENCE INTO THIS PROPOSAL AND MADE A PART HEREOF.

FRAUD WARNING STATEMENTS

ARKANSAS 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.

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 POLICY HOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICY HOLDER 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 APPLICANTS: 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 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 OF THE THIRD DEGREE.

HAWAII APPLICANTS: 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 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.

LOUISIANA 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.

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.

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.

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.

NEW YORK 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 MATERIAL FACT THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL BE ALSO SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

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.

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.

OREGON APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD OR SOLICIT ANOTHER TO DEFRAUD AN INSURER: (1) BY SUBMITTING AN APPLICATION OR; (2) FILING A CLAIM CONTAINING A FALSE STATEMENT AS TO ANY MATERIAL FACT MAYBE VIOLATING STATE LAW.

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.

TENNESSEE: 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.

VIRGINIA 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.

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.

A POLICY CANNOT BE ISSUED UNLESS THE PROPOSAL IS PROPERLY SIGNED BY THREE INDIVIDUALS AND DATED. IF THE CHAIRMAN OF THE BOARD AND PRESIDENT ARE THE SAME INDIVIDUAL, PLEASE HAVE THE APPLICATION SIGNED BY A SENIOR VICE-PRESIDENT IN LIEU OF THE PRESIDENT.

DATE _____ SIGNATURE _____
(Chairman of the Board)

DATE _____ SIGNATURE _____
(President)

DATE _____ SIGNATURE _____
(Chief Financial Officer or Treasurer)

PLEASE SUBMIT THIS PROPOSAL AND APPROPRIATE MATERIALS TO:

Hartford Financial Products
2 Park Avenue
New York, N.Y. 10016