

SERFF Tracking Number: MNLM-125376989 State: Arkansas
Filing Company: Carolina Casualty Insurance Company State Tracking Number: #20225 \$50
Company Tracking Number: ML-110106-F
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1000 Other Liability Sub-TOI Combinations
Product Name: Management Liability Insurance
Project Name/Number: ML 26360 (10-05)/12-07 New Program

Filing at a Glance

Company: Carolina Casualty Insurance Company

Product Name: Management Liability Insurance SERFF Tr Num: MNLM-125376989 State: Arkansas

TOI: 17.1 Other Liability - Claims Made Only SERFF Status: Closed State Tr Num: #20225 \$50

Sub-TOI: 17.1000 Other Liability Sub-TOI Co Tr Num: ML-110106-F State Status: Fees verified and
Combinations received

Filing Type: Form Co Status: Reviewer(s): Betty Montesi, Edith
Roberts, Brittany Yielding

Author: Beth Richards Disposition Date: 01/28/2008

Date Submitted: 12/04/2007 Disposition Status: Approved

Effective Date Requested (New): On Approval Effective Date (New):

Effective Date Requested (Renewal): On Approval Effective Date (Renewal):

State Filing Description:

General Information

Project Name: ML 26360 (10-05)

Project Number: 12-07 New Program

Status of Filing in Domicile: Authorized

Domicile Status Comments: Approved Forms,
effective 11/8/06. Approved Rates, effective
12/1/06.

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 01/28/2008

State Status Changed: 12/06/2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Monitor Liability Managers, Inc. is submitting the captioned filing in accordance with its attached agreement with Carolina Casualty Insurance Company (CCIC).

The enclosed filing represents a new program submission for Management Liability Coverage.

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This program provides coverage for wrongful employment acts first made against the Insured during the policy period and that the Insured(s) of the entity, or the entity itself, are legally obligated to pay. The wrongful acts for which coverage is provided include claims arising from discrimination, sexual harassment, termination and infliction of emotional distress resulting from actual or potential employment relationships, as well as claims arising from alleged breach of duty, error, misstatement, omission or act. Please refer to the enclosed Filing Memorandum for a more detailed explanation.

PLEASE NOTE: This filing was sent in paper and returned but check is with your accounting department; please see filing fee area. Your filing Number ML-1101056.OF. Thank you!

Company and Contact

Filing Contact Information

Beth Richards, Senior Compliance Analyst brichards@monitorliability.com
 2850 W. Golf Road (847) 806-6590 [Phone]
 Rolling Meadows, IL 60008 (847) 806-6592[FAX]

Filing Company Information

Carolina Casualty Insurance Company CoCode: 10510 State of Domicile: Iowa
 c/o Monitor Liability Managers Group Code: 98 Company Type:
 2850 West Golf Road
 Rolling Meadows, IL 60008 Group Name: W. R. Berkley Group State ID Number:
 (847) 806-6590 ext. 570[Phone] FEIN Number: 59-0733942

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation: Form filing fee - please note Carol Stiffler sent back our paper filing and has this check for fee.
 Thank you!
 Per Company: No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
20225	\$50.00	11/16/2007

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	01/28/2008	01/28/2008
Approved	Edith Roberts	12/06/2007	12/06/2007

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Telephone conversation 1/28/2008 with Beth Richards, Monitor	Reviewer Note	Edith Roberts	01/28/2008	

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Project Name/Number: ML 26360 (10-05)/12-07 New Program

Disposition

Disposition Date: 01/28/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: MNLM-125376989 State: Arkansas
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 Product Name: Management Liability Insurance
 Project Name/Number: ML 26360 (10-05)/12-07 New Program

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Forms List	Approved	Yes
Supporting Document	Authorization Letter	Approved	Yes
Supporting Document	Form Schedule	Approved	Yes
Supporting Document	Filing Memo	Approved	Yes
Form	Common Policy Terms and Conditions Section	Approved	Yes
Form	Directors, Officers and Corporate Liability Insurance Coverage Section	Approved	Yes
Form	Declarations Page for Management Liability Insurance	Approved	Yes
Form	Addition to Section II. Purchase of Extended Reporting Period	Approved	Yes
Form	Addition to Section III. Definitions	Approved	Yes
Form	Addition to Section III. B. Addition of Insured Entity	Approved	Yes
Form	Addition to Section III. B. Deletion of Insured Entity	Approved	Yes
Form	Addition to Section III. B. Addition of Insured Entity with Prior and Pending Litigation and Past Acts Exclusion	Approved	Yes
Form	Addition to Section III. H. Addition of Subsidiary	Approved	Yes
Form	Addition to Section III. H. Deletion of Subsidiary	Approved	Yes
Form	Addition to Section III. H. Addition of Subsidiary with Prior and Pending Litigation and Past Acts Exclusion	Approved	Yes
Form	Addition to Section IV. Exclusions	Approved	Yes
Form	Addition to Section IV. Past Acts Exclusion	Approved	Yes
Form	Addition to Section V. Limit of Liability and Deductibles	Approved	Yes
Form	Addition to Section VI. Defense, Cooperation and Settlements	Approved	Yes

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 Product Name: Management Liability Insurance
 Project Name/Number: ML 26360 (10-05)/12-07 New Program

Form	Costs of Defense Only Coverage	Approved	Yes
Form	Addition to Section VII. Notice of Claim and Multiple Claims	Approved	Yes
Form	Addition to Section VIII. General Conditions	Approved	Yes
Form	Addition to Section VIII. D. Purchase of Run Off Period	Approved	Yes
Form	Addition to Section III. Additional Definitions	Approved	Yes
Form	Addition to Section IV. Additional Exclusions	Approved	Yes
Form	Addition to Section IV. Past Acts Exclusion	Approved	Yes
Form	Addition to Section IV. Major Stockholder Exclusion	Approved	Yes
Form	Addition to Section IV. Interested Party Exclusion	Approved	Yes
Form	Addition to Section IV. Anti-Trust Exclusion	Approved	Yes
Form	Addition to Section V. Changes in Exposure	Approved	Yes
Form	Modification to Item 1. of the Declarations Name and Address of Named Insured	Approved	Yes
Form	Modification to Item 2. of the Declarations Policy Period	Approved	Yes
Form	Modification to Item 2. of the Declarations Extend Policy Period	Approved	Yes
Form	Modification to Item 2. of the Declarations Change Policy Period	Approved	Yes
Form	Modification to Item 3. of the Declarations Purchased Coverage Sections	Approved	Yes
Form	Modification to Item 4. of the Declarations Aggregate Limit of Liability for the Policy Period	Approved	Yes
Form	Modification to Item 4. of the Declarations Change in Aggregate Limit of Liability for the Policy Period	Approved	Yes

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Form	Modification to Item 5. of the Declarations Approved Applicable Deductibles	Yes
Form	Modification to Item 5. of the Declarations Approved Change in Applicable Deductibles	Yes
Form	Modification to Item 6. of the Declarations Approved Premium	Yes
Form	Modification to Item 6. of the Declarations Approved Premium Adjustment due to Cancellation by Insured	Yes
Form	Modification to Item 6. of the Declarations Approved Premium Adjustment	Yes
Form	Modification to Item 7. of the Declarations Approved Prior and Pending Litigation Dates	Yes
Form	Deletion of Endorsement Approved	Yes
Form	Management Liability Insurance Proposal Approved Form	Yes
Form	Management Liability Insurance Proposal Approved Form	Yes
Form	Management Liability Insurance Renewal Approved Proposal Form	Yes
Form	Management Liability Insurance Renewal Approved Proposal Form	Yes
Form	Management Liability Insurance Renewal Approved Proposal Form	Yes
Form	Arkansas Amendatory Endorsement Approved	Yes

SERFF Tracking Number: MNLM-125376989 State: Arkansas
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Product Name: Management Liability Insurance
Project Name/Number: ML 26360 (10-05)/12-07 New Program

Disposition

Disposition Date: 12/06/2007

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: MNLM-125376989 State: Arkansas
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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Forms List	Approved	Yes
Supporting Document	Authorization Letter	Approved	Yes
Supporting Document	Form Schedule	Approved	Yes
Supporting Document	Filing Memo	Approved	Yes
Form	Common Policy Terms and Conditions Section	Approved	Yes
Form	Directors, Officers and Corporate Liability Insurance Coverage Section	Approved	Yes
Form	Declarations Page for Management Liability Insurance	Approved	Yes
Form	Addition to Section II. Purchase of Extended Reporting Period	Approved	Yes
Form	Addition to Section III. Definitions	Approved	Yes
Form	Addition to Section III. B. Addition of Insured Entity	Approved	Yes
Form	Addition to Section III. B. Deletion of Insured Entity	Approved	Yes
Form	Addition to Section III. B. Addition of Insured Entity with Prior and Pending Litigation and Past Acts Exclusion	Approved	Yes
Form	Addition to Section III. H. Addition of Subsidiary	Approved	Yes
Form	Addition to Section III. H. Deletion of Subsidiary	Approved	Yes
Form	Addition to Section III. H. Addition of Subsidiary with Prior and Pending Litigation and Past Acts Exclusion	Approved	Yes
Form	Addition to Section IV. Exclusions	Approved	Yes
Form	Addition to Section IV. Past Acts Exclusion	Approved	Yes
Form	Addition to Section V. Limit of Liability and Deductibles	Approved	Yes
Form	Addition to Section VI. Defense, Cooperation and Settlements	Approved	Yes

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Form	Costs of Defense Only Coverage	Approved	Yes
Form	Addition to Section VII. Notice of Claim and Multiple Claims	Approved	Yes
Form	Addition to Section VIII. General Conditions	Approved	Yes
Form	Addition to Section VIII. D. Purchase of Run Off Period	Approved	Yes
Form	Addition to Section III. Additional Definitions	Approved	Yes
Form	Addition to Section IV. Additional Exclusions	Approved	Yes
Form	Addition to Section IV. Past Acts Exclusion	Approved	Yes
Form	Addition to Section IV. Major Stockholder Exclusion	Approved	Yes
Form	Addition to Section IV. Interested Party Exclusion	Approved	Yes
Form	Addition to Section IV. Anti-Trust Exclusion	Approved	Yes
Form	Addition to Section V. Changes in Exposure	Approved	Yes
Form	Modification to Item 1. of the Declarations Name and Address of Named Insured	Approved	Yes
Form	Modification to Item 2. of the Declarations Policy Period	Approved	Yes
Form	Modification to Item 2. of the Declarations Extend Policy Period	Approved	Yes
Form	Modification to Item 2. of the Declarations Change Policy Period	Approved	Yes
Form	Modification to Item 3. of the Declarations Purchased Coverage Sections	Approved	Yes
Form	Modification to Item 4. of the Declarations Aggregate Limit of Liability for the Policy Period	Approved	Yes
Form	Modification to Item 4. of the Declarations Change in Aggregate Limit of Liability for the Policy Period	Approved	Yes

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Form	Modification to Item 5. of the Declarations Approved Applicable Deductibles	Yes
Form	Modification to Item 5. of the Declarations Approved Change in Applicable Deductibles	Yes
Form	Modification to Item 6. of the Declarations Approved Premium	Yes
Form	Modification to Item 6. of the Declarations Approved Premium Adjustment due to Cancellation by Insured	Yes
Form	Modification to Item 6. of the Declarations Approved Premium Adjustment	Yes
Form	Modification to Item 7. of the Declarations Approved Prior and Pending Litigation Dates	Yes
Form	Deletion of Endorsement Approved	Yes
Form	Management Liability Insurance Proposal Approved Form	Yes
Form	Management Liability Insurance Proposal Approved Form	Yes
Form	Management Liability Insurance Renewal Approved Proposal Form	Yes
Form	Management Liability Insurance Renewal Approved Proposal Form	Yes
Form	Management Liability Insurance Renewal Approved Proposal Form	Yes
Form	Arkansas Amendatory Endorsement Approved	Yes

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Reviewer Note

Created By:

Edith Roberts on 01/28/2008 11:16 AM

Subject:

Telephone conversation 1/28/2008 with Beth Richards, Monitor

Comments:

Ms. Richards called to inquire as to why this program was approved with no exemption Order comment regarding defense outside the limits requirements of AR Code 23-79-307 (5) (a). I confirmed that these forms can be approved if applicable rules are in place confirming no limits written for risks less than \$500,000 limit of liability. (These lines of insurance have been de-regulated for rates/rules but still must comply with all applicable code.)

For clarification, these forms are approved to be applicable to programs writing risks with minimum limits of liability of \$500,000 or greater pursuant to AID Order 98-5 (D&O for profit), 92-13 (D&O non-profit) and 96-194 (Employment Practices).

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Common Policy Terms and Conditions Section	CT 22360	10-05	Endorsement/Amendment/Conditions		0.00	CT 22360-1005.pdf
Approved	Directors, Officers and Corporate Liability Insurance Coverage Section	ML 26360	10-05	Policy/Coverage Form		0.00	ML 26360-1005.pdf
Approved	Declarations Page for Management Liability Insurance	ML 26361	10-05	Declaration News/Schedule		0.00	ML-26361-1005.pdf
Approved	Addition to Section II. Purchase of Extended Reporting Period	CT 222061	10-05	Endorsement/Amendment/Conditions		0.00	CT 222061-1005.pdf
Approved	Addition to Section III. Definitions	CT 223010	10-05	Endorsement/Amendment/Conditions		0.00	CT 223010-1005.pdf
Approved	Addition to Section III. B. Addition of Insured Entity	CT 223031	10-05	Endorsement/Amendment/Conditions		0.00	CT 223031-1005.pdf
Approved	Addition to Section III. B. Deletion of Insured Entity	CT 223032	10-05	Endorsement/Amendment/Conditions		0.00	CT 223032-1005.pdf
Approved	Addition to	CT	rev. 09-06	Endorsement New		0.00	CT 223035-

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	Section III. B. Addition of Insured Entity with Prior and Pending Litigation and Past Acts Exclusion	223035		nt/Amendm ent/Condi tions			rev0906.pdf
Approved	Addition to Section III. H. Addition of Subsidiary	CT 223091	10-05	Endorseme nt/Amendm ent/Condi tions	0.00		CT 223091-1005.pdf
Approved	Addition to Section III. H. Deletion of Subsidiary	CT 223092	10-05	Endorseme nt/Amendm ent/Condi tions	0.00		CT 223092-1005.pdf
Approved	Addition to Section III. H. Addition of Subsidiary with Prior and Pending Litigation and Past Acts Exclusion	CT 223095	rev. 09-06	Endorseme nt/Amendm ent/Condi tions	0.00		CT 223095-rev0906.pdf
Approved	Addition to Section IV. Exclusions	CT 224010	10-05	Endorseme nt/Amendm ent/Condi tions	0.00		CT 224010-1005.pdf
Approved	Addition to Section IV. Past Acts Exclusion	CT 224310	09-06	Endorseme nt/Amendm ent/Condi tions	0.00		CT 224310-0906.pdf
Approved	Addition to Section V. Limit of Liability and Deductibles	CT 225010	10-05	Endorseme nt/Amendm ent/Condi tions	0.00		CT 225010-1005.pdf
Approved	Addition to Section VI. Defense,	CT 226010	10-05	Endorseme nt/Amendm ent/Condi tions	0.00		CT 226010-1005.pdf

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	Cooperation and Settlements			ons		
Approved	Costs of Defense Only Coverage	CT 226011	09-06	Endorsement/Amendment/Conditions	0.00	CT 226011-0906.pdf
Approved	Addition to Section VII. Notice of Claim and Multiple Claims	CT 227010	10-05	Endorsement/Amendment/Conditions	0.00	CT 227010-1005.pdf
Approved	Addition to Section VIII. General Conditions	CT 228010	10-05	Endorsement/Amendment/Conditions	0.00	CT 228010-1005.pdf
Approved	Addition to Section VIII. D. Purchase of Run Off Period	CT 228051	10-05	Endorsement/Amendment/Conditions	0.00	CT 228051-1005.pdf
Approved	Addition to Section III. Additional Definitions	ML 263010	10-05	Endorsement/Amendment/Conditions	0.00	ML 263010-1005.pdf
Approved	Addition to Section IV. Additional Exclusions	ML 264010	10-05	Endorsement/Amendment/Conditions	0.00	ML 264010-1005.pdf
Approved	Addition to Section IV. Past Acts Exclusion	ML 264310	10-05	Endorsement/Amendment/Conditions	0.00	ML 264310-1005.pdf
Approved	Addition to Section IV. Major Stockholder Exclusion	ML 264320	10-05	Endorsement/Amendment/Conditions	0.00	ML 264320-1005.pdf
Approved	Addition to Section IV. Interested Party	ML 264322	10-05	Endorsement/Amendment/Conditions	0.00	ML 264322-1005.pdf

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	Exclusion			ons		
Approved	Addition to Section IV. Anti-Trust Exclusion	ML 264390	10-05	Endorsement/Amendment/Conditions	0.00	ML 264390-1005.pdf
Approved	Addition to Section V. Changes in Exposure	ML 265010	10-05	Endorsement/Amendment/Conditions	0.00	ML 265010-1005.pdf
Approved	Modification to Item 1. of the Declarations Name and Address of Named Insured	ML 269010	10-05	Endorsement/Amendment/Conditions	0.00	ML 269010-1005.pdf
Approved	Modification to Item 2. of the Declarations Policy Period	ML 269020	10-05	Endorsement/Amendment/Conditions	0.00	ML 269020-1005.pdf
Approved	Modification to Item 2. of the Declarations Extend Policy Period	ML 269021	10-05	Endorsement/Amendment/Conditions	0.00	ML 269021-1005.pdf
Approved	Modification to Item 2. of the Declarations Change Policy Period	ML 269022	10-05	Endorsement/Amendment/Conditions	0.00	ML 269022-1005.pdf
Approved	Modification to Item 3. of the Declarations Purchased Coverage Sections	ML 269030	10-05	Endorsement/Amendment/Conditions	0.00	ML 269030-1005.pdf
Approved	Modification to Item 4. of the Declarations	ML 269040	10-05	Endorsement/Amendment/Conditions	0.00	ML 269040-1005.pdf

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Aggregate Limit of Liability for the Policy Period		ons				
Approved	Modification to Item 4. of the Declarations Change in Aggregate Limit of Liability for the Policy Period	ML 269041	10-05	Endorsement/Amendment/Conditions	0.00	ML 269041-1005.pdf
Approved	Modification to Item 5. of the Declarations Applicable Deductibles	ML 269050	10-05	Endorsement/Amendment/Conditions	0.00	ML 269050-1005.pdf
Approved	Modification to Item 5. of the Declarations Change in Applicable Deductibles	ML 269051	10-05	Endorsement/Amendment/Conditions	0.00	ML 269051-1005.pdf
Approved	Modification to Item 6. of the Declarations Premium	ML 269060	10-05	Endorsement/Amendment/Conditions	0.00	ML 269060-1005.pdf
Approved	Modification to Item 6. of the Declarations Premium Adjustment due to Cancellation by Insured	ML 269061	10-05	Endorsement/Amendment/Conditions	0.00	ML 269061-1005.pdf
Approved	Modification to Item 6. of the Declarations Premium Adjustment	ML 269062	10-05	Endorsement/Amendment/Conditions	0.00	ML 269062-1005.pdf
Approved	Modification to	ML	10-05	Endorsement New	0.00	ML 269070-

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	Item 7. of the Declarations Prior and Pending Litigation Dates	269070		nt/Amendm ent/Condi ons			1005.pdf
Approved	Deletion of Endorsement	ML 269100	10-05	Endorseme New nt/Amendm ent/Condi ons	0.00		ML 269100- 1005.pdf
Approved	Management Liability Insurance Proposal Form	ML 26500	rev. 01-05	Application/ New Binder/Enro llment	0.00		ML 26500- rev0105.pdf
Approved	Management Liability Insurance Proposal Form	ML 26506	01-05	Application/ New Binder/Enro llment	0.00		ML 26506- 0105.pdf
Approved	Management Liability Insurance Renewal Proposal Form	ML 26510	rev. 01-05	Application/ New Binder/Enro llment	0.00		ML 26510- rev0105.pdf
Approved	Management Liability Insurance Renewal Proposal Form	ML 26515	rev. 01-05	Application/ New Binder/Enro llment	0.00		ML 26515- rev0105.pdf
Approved	Management Liability Insurance Renewal Proposal Form	ML 26516	01-05	Application/ New Binder/Enro llment	0.00		ML 26516- 0105.pdf
Approved	Arkansas Amendatory Endorsement	CT 220015	rev. 06-06	Endorseme New nt/Amendm ent/Condi ons	0.00		CT 220015 rev. 06- 06.pdf

Carolina Casualty Insurance Company

Common Policy Terms and Conditions Section

This is a Claims Made Policy. Please read it carefully.

CLAIMS MADE WARNING FOR POLICY

NOTICE: THIS POLICY PROVIDES COVERAGE ON A CLAIMS MADE AND REPORTED BASIS SUBJECT TO ITS TERMS. THIS POLICY APPLIES ONLY TO ANY "CLAIM" FIRST MADE AGAINST THE INSUREDS AND REPORTED TO THE INSURER DURING THE POLICY PERIOD, THE AUTOMATIC EXTENDED REPORTING PERIOD, OR THE PURCHASED EXTENDED REPORTING PERIOD (IF APPLICABLE).

PLEASE READ AND REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

In consideration of the payment of the premium, in reliance on all statements in the **Proposal** and all other information provided to the **Insurer**, and subject to all provisions of this **Policy**, the **Insurer** and **Insureds** agree as follows:

I. Common Policy Terms and Conditions Section

The Common Policy Terms and Conditions Section of this **Policy** shall apply to all **Coverage Sections**. Unless stated to the contrary in any **Coverage Section**, the terms and conditions of each **Coverage Section** of this **Policy** shall apply only to that **Coverage Section** and shall not apply to any other **Coverage Section** of this **Policy**. If any provision in the Common Policy Terms and Conditions Section is inconsistent or in conflict with the terms and conditions of any **Coverage Section**, the terms and conditions of such **Coverage Section** shall control for the purposes of that **Coverage Section**. Any defined term referenced in this Common Policy Terms and Conditions Section and also defined in a **Coverage Section** shall, for the purposes of coverage under that **Coverage Section**, have the meaning set forth in that **Coverage Section**.

II. Extended Reporting Period

- A. If the **Named Insured** cancels or if the **Insurer** or the **Named Insured** refuses to renew this **Policy**, then the **Named Insured** shall have the right, upon payment of an additional premium of 150 percent of the "full annual premium", to an extension of the coverage granted by this **Policy** with respect to any **Claim** first made and reported during the period of 24 months after the date upon which the **Policy Period** ends, but only with respect to any **Wrongful Act** fully occurring prior to the end of the **Policy Period** and otherwise covered by this **Policy**. Such 24 month period shall be referred to as the Extended Reporting Period. As used herein, "full annual premium" means the premium level in effect immediately prior to the end of the **Policy Period** for all **Coverage Sections** purchased as part of this **Policy**. The rights contained in this paragraph shall terminate, however, unless written notice of such election together with the additional premium due is received by the **Insurer** within 30 days of the effective date of cancellation or non-renewal.
- B. The additional premium for the Extended Reporting Period shall be fully earned at the inception of the Extended Reporting Period. The Extended Reporting Period is not cancelable.
- C. Without any additional premium being required, there shall be an automatic extension of the coverage granted by this **Policy** with respect to any **Claim** first made and reported during a period of 60 days after the date upon which the **Policy Period** ends, but only with respect to any **Wrongful Act** fully occurring prior to the end of the **Policy Period** and otherwise covered by this **Policy** and only if there is no other policy or policies that would otherwise provide insurance for such **Wrongful Act**. This 60 day period shall be referred to as the Automatic Extended Reporting Period.

III. Definitions

Whenever printed in boldface type and whether in the singular or plural form in this **Policy**, the following terms shall have the meanings indicated below.

- A. "**Coverage Section(s)**" means, individually or collectively, the purchased **Coverage Sections** listed in Item 3. of the Declarations and attached hereto.
- B. "**Insured Entity**" means the **Named Insured** and any **Subsidiary**.
- C. "**Insurer**" means the entity issuing this **Policy** as listed on the Declarations Page.
- D. "**Named Insured**" means the entity designated in Item 1. of the Declarations.
- E. "**Policy**" means, collectively, the Declarations, the Common Policy Terms and Conditions Section, the **Coverage Sections**, and the **Proposal**.
- F. "**Policy Period**" means the period of time from the inception date shown in Item 2. of the Declarations to the earlier of the expiration date shown in Item 2. of the Declarations or the effective date of cancellation of this **Policy**.
- G. "**Proposal**" means the Proposal Form(s) and any material submitted therewith.

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- H. "Subsidiary(ies)" means:
1. an entity of which the **Named Insured** owns on or before the inception of the **Policy Period** more than 50 percent of the issued and outstanding voting stock either directly or indirectly through one or more of its **Subsidiaries**, or
 2. an entity, subject to the terms of section V. A. of the **Coverage Section(s)**, that the **Insured Entity** forms or acquires during the **Policy Period**, or
 3. an entity which qualifies as a not-for-profit organization under Section 501(c)(3), (c)(4), or (c)(7) of the Internal Revenue Code of 1986 (as amended) and which the **Named Insured** has or controls the right to elect or appoint more than 50 percent of the Board of Directors (or other governing body) on or before the inception of the **Policy Period**. The term **Subsidiary** shall not mean any political committee organized pursuant to Section 432 of the Federal Election Campaign Act of 1971 and any amendments thereto.

IV. Exclusions

The **Insurer** shall not be liable to make any payment for **Loss** in connection with a **Claim** made against any **Insured**:

- A. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged seepage, pollution or contamination of any kind;
- B. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged nuclear reaction, radiation or contamination, regardless of cause.

V. Limit of Liability and Deductibles

- A. The Limit of Liability stated in Item 4. of the Declarations is the maximum limit of the **Insurer's** liability for all **Loss** arising out of all **Claims** first made against the **Insureds** during the **Policy Period**, the Automatic Extended Reporting Period, and the Extended Reporting Period (if purchased). The Limit of Liability for the Automatic Extended Reporting Period and the Extended Reporting Period shall be part of, and not in addition to, the Limit of Liability stated in Item 4. of the Declarations. In the event the Limit of Liability stated in Item 4. of the Declarations is exhausted by payment of **Loss**, or has been tendered to or on behalf of the **Insured**, then any and all obligations of the **Insurer** hereunder shall be deemed to be completely fulfilled and extinguished.
- B. **Costs of Defense** are not payable by the **Insurer** in addition to the Limit of Liability. **Costs of Defense** are part of **Loss** and as such are subject to the Limit of Liability for **Loss**.
- C. The **Insurer** shall only be liable for the amount of **Loss** arising from a **Claim** which is in excess of the applicable Deductible amount stated in Item 5. of the Declarations. Such Deductible amount shall be borne by the **Named Insured** with regard to all **Loss** arising thereunder. In the event a **Claim** is covered under more than one **Coverage Section**, the largest applicable Deductible shall apply.
- D. One Deductible amount shall apply to each and every **Claim**. If the **Insurer** advances any **Loss** within the Deductible, the **Named Insured** shall, upon written demand, reimburse the **Insurer** for such amounts within 30 days. If the **Named Insured** fails to pay the Deductible, then all **Insureds** shall be jointly and severally obligated to pay the Deductible. Any funds so advanced by the **Insurer** shall serve to reduce the Limit of Liability to the extent that they are not repaid to the **Insurer**. If the **Insurer** brings suit to collect the Deductible, then the **Insured** responsible to pay the Deductible also shall pay the legal fees, costs and expenses incurred by the **Insurer** to collect the Deductible.

VI. Defense, Cooperation and Settlements

- A. An **Insured** shall not admit liability, enter into any settlement agreement, stipulate to any judgment, agree to arbitration, or incur **Costs of Defense** without the **Insurer's** prior written consent. The **Insurer's** consent shall not be unreasonably withheld, provided that the **Insurer** shall be entitled to full information and all particulars it may request in order to reach a decision regarding such consent. Any **Loss** incurred and settlements agreed to prior to the **Insurer** giving its consent shall not be covered hereunder.
- B. The **Insurer** shall have the right and the duty to defend any **Claim** for **Damages** which are covered by this **Policy**. The **Insurer's** right and duty to defend any **Claim** shall end when the Limit of Liability stated in Item 4. of the Declarations has been exhausted by the payment of **Loss**, or has been tendered to, or on behalf of, the **Insured** or to a court of competent jurisdiction. The **Insurer** has no obligation to provide **Costs of Defense** for any **Claim** for **Damages** not covered by this **Policy**.
- C. Each **Insured** shall cooperate with the **Insurer** in the defense and settlement of any **Claim**, and in enforcing any right of contribution or indemnity against any person or organization that may be liable to the **Insured**, at no cost to the **Insurer**. Upon the request of the **Insurer**, the **Insured** shall submit to examination and interrogation, under oath if required by a representative of the **Insurer**, and shall attend hearings, depositions and trials, assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses, as well as giving written statements to the **Insurer's** representatives, and meeting with such representatives for purposes of investigation or defense, all without charge to the **Insurer**.

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- D. The **Insurer** shall not settle any **Claim** without the **Named Insured's** consent. If, however, the **Named Insured** shall refuse to consent to any settlement recommended by the **Insurer**, which is acceptable to the claimant, and shall elect to contest the **Claim**, or continue any civil, criminal, administrative, or arbitration proceedings in connection with such **Claim**, then the **Insurer's** liability for the **Claim** shall not exceed the amount for which the **Claim** could have been settled, including **Costs of Defense** incurred up to the date of such refusal. Such amounts are subject to the provisions of section V. of the Common Policy Terms and Conditions Section of this **Policy**. In the event that the **Named Insured** refuses to consent to any settlement as set forth in this section VI. D., the **Insurer's** right and duty to defend such **Claim** shall end upon the date of such refusal.

VII. Notice of Claim and Multiple Claims

- A. As a condition precedent to their rights under this **Policy**, an **Insured** shall give the **Insurer** written notice of any **Claim** as soon as practicable, but in no event later than 60 days after such **Claim** is first made.
- B. If during the **Policy Period** the **Insureds** become aware of any fact, circumstance or situation which may reasonably be expected to give rise to a **Claim** being made against any **Insured** and shall give written notice to the **Insurer**, as soon as practicable (but prior to the expiration of or cancellation of the **Policy**), of:
1. the specific fact, circumstance or situation, with full details as to dates, persons, and entities involved; and
 2. the injury or damages which may result therefrom; and
 3. the circumstances by which the **Insured** first became aware thereof;
- then any **Claim** subsequently made arising out of such fact, circumstance or situation shall be deemed to have been made when notice was first given to the **Insurer**.
- C. All **Claims** based upon or arising out of the same **Wrongful Act** or any **Related Wrongful Acts**, or one or more series of any similar, repeated or continuous **Wrongful Acts** or **Related Wrongful Acts**, shall be considered a single **Claim**. Each **Claim** shall be deemed to be first made at the earliest of the following times:
1. when the earliest **Claim** arising out of such **Wrongful Act** or **Related Wrongful Acts** is first made, or
 2. when notice pursuant to section VII. B. above of a fact, circumstance or situation giving rise to such **Claim** is given.
- D. In addition to furnishing the notice as provided in sections VII. A. and VII. B. above, the **Insureds** shall give the **Insurer** such information and cooperation as it may reasonably require and shall, as soon as practicable, furnish the **Insurer** with copies of reports, investigations, pleadings and other papers in connection therewith. If any notices are received as provided for in sections VII. A. and VII. B., then the entire premium for this **Policy** shall be 100 percent earned as of the **Policy** inception date.

VIII. General Conditions

A. Termination of Policy and Non-Renewal

1. This **Policy** shall terminate at the earliest of the following times:
 - a. upon the receipt by the **Insurer** of written notice of cancellation from the **Named Insured**;
 - b. upon expiration of the **Policy Period** as set forth in Item 2. of the Declarations;
 - c. at such other time as may be agreed between the **Named Insured** and the **Insurer**; or
 - d. upon written notice by the **Insurer** of cancellation for non-payment of premium.
2. The **Insurer** may not cancel this **Policy** except for non-payment of any premium when due. The **Insurer** shall provide at least 20 days written notice to the **Named Insured** prior to any cancellation for non-payment of any premium.
3. If this **Policy** is cancelled by the **Named Insured**, the **Insurer** shall retain the customary short rate proportion of the premium herein. Payment or tender of any unearned premium by the **Insurer** shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.
4. If the **Insurer** decides not to renew this **Policy**, the **Insurer** shall provide written notice to the **Named Insured** at least 60 days prior to the end of the **Policy Period**. The notice shall include the reason for such non-renewal.
5. Any notices to be given to the **Named Insured** under this section VIII. shall be provided to the **Named Insured** at the last known principal address and to its insurance agent or broker. The mailing by certified mail of such notice shall be sufficient.

B. Proposal

The **Proposal** is the basis of this **Policy** and is incorporated in and constitutes a part of this **Policy**. A copy of the Proposal Form(s) is attached hereto. Any material submitted with the Proposal Form(s) shall be maintained on file with the **Insurer** and shall be deemed to be attached hereto as if physically attached. It is agreed by the **Insureds** that the statements in the **Proposal** are their representations and that this **Policy** is issued in reliance upon the truth of such representations. With respect to such statements and representations, no knowledge or information possessed by any **Insureds** shall be imputed to any other **Insureds**.

If any person or persons knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons.

However, if the Chairperson of the Board of Directors, President, Chief Executive Officer, or Chief Financial Officer of the **Insured Entity** knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons and the **Insured Entity**.

C. Action Against the Insurer

No action shall lie against the **Insurer** unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this **Policy**, nor until the amount of the **Insureds'** obligation to pay shall have been finally determined either by judgment against the **Insureds** after actual trial or by written agreement of the **Insureds**, the claimant and the **Insurer**.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this **Policy** to the extent of the insurance afforded by this **Policy**. No person or organization shall have any right under this **Policy** to join the **Insurer** as party to any action against the **Insureds** to determine the **Insureds'** liability, nor shall the **Insurer** be impleaded by the **Insureds** or their legal representatives. Bankruptcy or insolvency of the **Insureds** or of their estates shall not relieve the **Insurer** of any of its obligations hereunder.

D. Changes in Exposure

If during this **Policy Period**:

1. the **Named Insured** shall consolidate or merge with or into, or sell all or substantially all of its assets to any other person or entity or group of persons and/or entities acting in concert, or
2. any person or entity or group of persons and/or entities acting in concert shall acquire an amount of the outstanding securities representing more than 50 percent of the voting power for the election of Directors of the **Named Insured**, or acquires the voting rights of such an amount of such securities;

(either of the above events herein referred to as "Transaction")

then, this **Policy** shall continue in full force and effect as to any **Wrongful Acts** fully occurring prior to the Transaction, but there shall be no coverage afforded by any provision of this **Policy** for any actual or alleged **Wrongful Acts** occurring after the Transaction. This **Policy** may not be cancelled following a Transaction and the entire premium for this **Policy** shall be deemed fully earned as of the Transaction. The **Named Insured** shall give the **Insurer** written notice of the Transaction as soon as practicable but not later than 30 days after the Transaction.

In the event of a Transaction, the **Named Insured** shall have the right, upon payment of an additional 50 percent of the "full annual premium", to an extension of the coverage granted by this **Policy** with respect to any **Claim** first made and reported during the 12 months after the Transaction, but only with respect to any **Wrongful Act** fully occurring prior to the Transaction and otherwise covered by this **Policy**. Such 12 month period shall be referred to as the Run Off Period. As used herein, "full annual premium" means the premium level in effect immediately prior to the Transaction for all **Coverage Sections** purchased as part of this **Policy**. The rights contained in this paragraph shall terminate, however, unless written notice of such election together with the additional premium due is received by the **Insurer** within 60 days of the Transaction.

In the event of a Transaction, the **Named Insured** shall have the right to purchase the Run Off Period but shall have no right to purchase the Extended Reporting Period described in section II. of this **Policy**.

The additional premium for the Run Off Period shall be fully earned at the inception of the Run Off Period. The Run Off Period is not cancelable. The Limit of Liability for the Run Off Period shall be part of, and not in addition to, the Limit of Liability stated in Item 4. of the Declarations.

E. Subrogation

In the event of any payment under this **Policy**, the **Insurer** shall be subrogated to the extent of such payment to all the **Insureds'** rights of recovery thereof, and the **Insureds** shall execute all papers required and shall do everything that may be necessary to secure such rights including the execution of such documents necessary to enable the **Insurer** to effectively bring suit in the name of the **Insureds**. In no event, however, shall the **Insurer** exercise its rights of subrogation against an **Insured** under this **Policy** unless such **Insured** has been convicted of a criminal act, or been judicially determined to have committed a deliberate fraudulent act, or obtained any profit or advantage to which such **Insured** was not legally entitled.

F. Assignment

This **Policy** and any and all rights hereunder are not assignable without the written consent of the **Insurer**.

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G. Entire Agreement

By acceptance of this **Policy**, the **Insureds** and the **Insurer** agree that this **Policy** and any written endorsements attached hereto constitute the entire agreement between the parties.

H. Representation by Named Insured

It is agreed that the **Named Insured** shall act on behalf of its **Subsidiaries** and all **Insureds** with respect to the giving and receiving of notices, the payment of premiums and the receiving of any return premiums that may become due under this **Policy**, the receipt and acceptance of any endorsements issued to form a part of this **Policy** and the exercising or declining to exercise any right to an Extended Reporting Period.

I. Coverage Territory

This **Policy** applies to any **Wrongful Act** taking place anywhere in the world.

In witness whereof, the **Insurer** has caused this **Policy** to be signed by its President and Chief Executive Officer and Secretary, but this **Policy** shall not be valid unless countersigned on the Declarations Page by a duly authorized representative of the **Insurer**.



President and Chief Executive Officer



Secretary

Carolina Casualty Insurance Company

Directors, Officers and Corporate Liability Insurance
Coverage Section

This is a Claims Made Policy. Please read it carefully.

CLAIMS MADE WARNING FOR POLICY

NOTICE: THIS POLICY PROVIDES COVERAGE ON A CLAIMS MADE AND REPORTED BASIS SUBJECT TO ITS TERMS. THIS POLICY APPLIES ONLY TO ANY "CLAIM" FIRST MADE AGAINST THE INSUREDS AND REPORTED TO THE INSURER DURING THE POLICY PERIOD, THE AUTOMATIC EXTENDED REPORTING PERIOD, OR THE PURCHASED EXTENDED REPORTING PERIOD (IF APPLICABLE).

PLEASE READ AND REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

In consideration of the payment of the premium, in reliance on all statements in the **Proposal** and all other information provided to the **Insurer**, and subject to all provisions of this **Policy**, the **Insurer** and **Insureds** agree as follows:

I. Insuring Agreements

Directors, Officers and Corporate Liability Insurance

This **Policy** shall pay on behalf of:

- A. each and every **Insured Person** all **Loss** arising from any **Claim** first made against the **Insured Persons** during the **Policy Period** and reported to the **Insurer** in writing during the **Policy Period** or within 60 days thereafter, for any **Wrongful Act**, except and to the extent that the **Insured Entity** has indemnified the **Insured Persons**;
- B. the **Insured Entity** all **Loss** arising from any **Claim** first made against the **Insured Persons** during the **Policy Period** and reported to the **Insurer** in writing during the **Policy Period** or within 60 days thereafter, for any **Wrongful Act**, but only to the extent that the **Insured Entity** has indemnified the **Insured Persons** for such **Loss** as permitted by law;
- C. the **Insured Entity** all **Loss** arising from any **Claim** first made against the **Insured Entity** during the **Policy Period** and reported to the **Insurer** in writing during the **Policy Period** or within 60 days thereafter, for any **Wrongful Act**;

provided, however, that prior to the inception date of the first Directors, Officers and Corporate Liability Insurance Policy issued by the **Insurer** to the **Named Insured**, which has been continuously renewed and maintained in effect to the inception of this **Policy Period**, the **Insured** did not know, or could not reasonably foresee that such **Wrongful Act** might reasonably be expected to be the basis of a **Claim**.

II. Extended Reporting Period

Refer to Common Policy Terms and Conditions Section.

III. Additional Definitions

In addition to the Definitions listed in section III. of the Common Policy Terms and Conditions Section, whenever printed in boldface type, and whether in the singular or plural form, in this **Coverage Section** the following terms shall have the meanings indicated below.

- A. "**Claim(s)**" means a written demand for monetary or non-monetary relief including, but not limited to:
 - 1. a civil, criminal, administrative, arbitration proceeding, or
 - 2. any proceeding brought or initiated by a federal, state or local government agency.

Claim shall not include any grievance or arbitration subject to a collective bargaining agreement with respect to Insuring Agreements I. C. of this **Coverage Section**. A **Claim** shall be deemed to have been first made at the time notice of the **Claim** is first received by any **Insured**.
- B. "**Costs of Defense**" means reasonable and necessary fees, costs and expenses (including premiums for any appeal bond, attachment bond or similar bond, but without any obligation to apply for or furnish any such bond) resulting solely from the investigation, adjustment, defense and appeal of a covered or potentially covered **Claim** against the **Insureds**, but excluding salaries, wages, overhead or benefit expenses associated with any **Insured**, or any amount covered by the duty to defend obligation of any other insurer.
- C. "**Damages**" means a monetary judgment, award or settlement, pre-judgment interest and post-judgment interest; provided, however, **Damages** shall not include:
 - 1. taxes, civil or criminal fines, or penalties imposed by law, or
 - 2. costs incurred by any **Insured** to make any building or property more accessible or accommodating to any disabled person, or
 - 3. commissions, bonuses, profit sharing or severance payments, or

4. payment by the **Insured Entity** of allegedly inadequate price or consideration for the purchase of its own securities or the securities of a **Subsidiary**, or
5. any matter deemed uninsurable under the law pursuant to which this **Policy** shall be construed.

Damages also means, where insurable, liquidated, punitive, or exemplary damages, or any multiplied damages award in excess of the amount so multiplied. Such coverage for liquidated, punitive, exemplary or multiplied damages is part of and not in addition to the Limit of Liability, and any payment of such damages shall serve to reduce the Limit of Liability. Only for the purpose of resolving any dispute between the **Insurer** and the **Insured** regarding whether such liquidated, punitive, exemplary or multiplied damages are insurable under this **Policy**, the law of the jurisdiction most favorable to the insurability of those damages shall control.

- D. **"Debtor in Possession"** means a debtor in possession as such term is used in Chapter 11 of the United States of America Bankruptcy Code.
- E. **"Insured Person(s)"** means any past, present or future duly elected or appointed directors or officers of the **Insured Entity**. In the event that the **Insured Entity** operates outside the United States, then the term **Insured Persons** also means those titles, positions or capacities in such foreign **Insured Entity** which is equivalent to the positions listed above in an entity incorporated within the United States. Coverage will automatically apply to all new **Insured Persons** after the **Policy** inception date.

This **Coverage Section** shall cover **Loss** arising from a **Claim** made against the estates, heirs, or legal representatives of deceased **Insured Persons**, and the legal representatives of **Insured Persons** in the event of incompetency, insolvency or bankruptcy, who were **Insured Persons** at the time the **Wrongful Act** upon which such **Claims** are based were committed.

This **Coverage Section** shall cover **Loss** arising from a **Claim** made against the lawful spouse (whether such status is derived by reason of statutory law, common law or otherwise of any applicable jurisdiction in the world) of an individual **Insured Person** for a **Claim** arising solely out of his or her status as the spouse of an individual **Insured Person**, including a **Claim** that seeks damages recoverable from marital community property, property jointly held by the individual **Insured Person** and the spouse, or property transferred from the individual **Insured Person** to the spouse; provided, however, this extension shall not afford coverage for any **Claim** for any **Wrongful Act** of the spouse, but shall apply only to **Claims** arising out of any **Wrongful Act** of an individual **Insured Person**.

- F. **"Insured(s)"** means any **Insured Person** or any **Insured Entity**.

With respect to this **Coverage Section** only, the term **Insured Entity** shall also include, in the event any bankruptcy proceeding shall be instituted by or against the **Insured Entity**, the **Debtor in Possession**, if any.

- G. **"Loss"** means **Damages** and **Costs of Defense**.

- H. **"Outside Entity"** means:

1. a not-for-profit organization under Section 501(c)(3), (c)(4) or (c)(7) of the Internal Revenue Code of 1986, including amendments thereto, or
2. any other entity, partnership, joint venture or other organization listed by endorsement to this **Policy**.

- I. **"Prior and Pending Litigation Date"** means the date set forth in Item 7. of the Declarations with respect to the Directors, Officers and Corporate Liability Insurance **Coverage Section**.

- J. **"Related Wrongful Act(s)"** means **Wrongful Acts** which are logically or causally connected by reason of any common fact, circumstance, situation, transaction, casualty, event or decision.

- K. **"Wrongful Act(s)"** means:

1. with respect to individual **Insured Persons**, any actual or alleged breach of duty, neglect, error, misstatement, misleading statement, omission or act by the **Insured Persons** of an **Insured Entity** in their respective capacities as such, or any matter claimed against them by reason of their status as **Insured Persons** of an **Insured Entity**, or any matter claimed against them arising out of their serving as a director, officer, trustee, or governor of an **Outside Entity** in such capacities, but only if such service is at the specific request or direction of the **Insured Entity**, or
2. with respect to an **Insured Entity**, any actual or alleged breach of duty, neglect, error, misstatement, misleading statement, omission or act by the **Insured Entity**.

IV. Additional Exclusions

In addition to the Exclusions listed in section IV. of the Common Policy Terms and Conditions Section, the **Insurer** shall not be liable to make any payment for **Loss** in connection with a **Claim** made against any **Insured**:

- A. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the gaining of any profit or advantage to which an **Insured** was not legally entitled; provided, however, this exclusion shall not apply unless a judgment or other final adjudication adverse to any of the **Insureds** in such **Claim** shall establish that such **Insureds** gained such profit or advantage to which an **Insured** was not legally entitled;
- B. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any criminal or deliberate fraudulent act; provided, however, this exclusion shall not apply unless a judgment or other final adjudication adverse to any of the **Insureds** in such **Claim** shall establish that such **Insureds** committed such criminal or deliberate fraudulent act;
- C. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving payments to an **Insured** of any remuneration without the previous approval of the security holder of the **Insured Entity**, which payment without such previous approval shall be held to have been illegal; provided, however, this exclusion shall not apply unless a judgment or other final adjudication adverse to any of the **Insureds** in such **Claim** shall establish that such **Insureds** received such payments;
- D. for:
 - 1. physical injury to or destruction of any tangible property, including the loss of use thereof, or
 - 2. bodily injury, sickness, disease, death, assault or battery of any person, or
 - 3. invasion of privacy, wrongful entry, eviction, false arrest, false imprisonment, malicious prosecution, libel, slander, mental anguish, humiliation, emotional distress, oral or written publication of defamatory or disparaging material;
- E. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged violation of the Employee Retirement Income Security Act of 1974, including amendments thereto;
- F. by, on behalf of, or in the right of any **Insured** in any capacity, or any security holder of the **Insured Entity**; provided, however, this exclusion does not apply to:
 - 1. any **Claim** that is a derivative action brought or maintained on behalf of the **Insured Entity**, but only if such **Claim** is instigated and continued totally independent of, and totally without the solicitation of, or assistance of, or participation of, or intervention of any **Insured**, or
 - 2. any security holder **Claim** that is instigated and continued totally independent of, and totally without the solicitation of, or assistance of, or participation of, or intervention of any **Insured**, or
 - 3. any **Claim** by any of the **Insured Persons** for contribution or indemnity, if such **Claim** directly results from another **Claim** covered under this **Policy**;
- G. which is insured in whole or in part by another valid policy, except with respect to any excess beyond the amount or amounts of coverage under such other policy whether such other policy is stated to be primary, contributory, excess, contingent or otherwise;
- H. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any **Wrongful Act** of the **Insured Persons** serving in their capacities as directors, officers, trustees, employees, members or governors of any other entity other than an **Insured Entity** or an **Outside Entity**, or by reason of their status as directors, officers, trustees, employees, members or governors of such other entity;
- I. for any **Wrongful Act** arising out of an **Insured** serving as a director, officer, trustee, employee, member or governor of an **Outside Entity**:
 - 1. if such **Claim** is brought by the **Outside Entity** or any of its directors or officers, or by any security holder of the **Outside Entity**, whether directly or derivatively, unless such security holder's **Claim** is instigated and continued totally independent of, and totally without the solicitation of, or assistance of, or participation of, or intervention of the **Outside Entity**, any of its directors or officers, or any **Insured**, or
 - 2. if such **Wrongful Act** occurred prior to the **Prior and Pending Litigation Date** and if the **Insured** knew or reasonably could have foreseen that such **Wrongful Act** could lead to a **Claim** under this **Policy**, or
 - 3. to the extent such **Insured** is indemnified for such **Loss** by such **Outside Entity**, and (if applicable) which is insured in whole or in part under any policy issued to or for the benefit of any **Outside Entity** or its directors or officers, then this **Policy** shall apply only to **Loss** excess over such indemnification and insurance (if applicable);
- J. based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any past, present or future actual or potential employment relationship;

Carolina Casualty Insurance Company

- K. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:
1. any **Wrongful Act** alleged in any claim which has been reported, or in any circumstance of which notice has been given, prior to the **Policy Period** under any other policy, or
 2. any other **Wrongful Act** whenever occurring, which together with a **Wrongful Act** which has been the subject of such claim or notice, would constitute **Related Wrongful Acts**;
- L. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:
1. any prior or pending litigation, administrative or arbitration proceeding as of the **Prior and Pending Litigation Date**, or
 2. any fact, circumstance, situation, transaction or event underlying or alleged in such litigation, administrative or arbitration proceeding,
- regardless of the legal theory upon which such **Claim** is predicated;
- M. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the performance of any professional services for others, and caused by any act, error or omission; provided, however, this exclusion does not apply to any **Claim** against an **Insured** to the extent that such **Claim** is for a **Wrongful Act** by such **Insured** in connection with the management or supervision of any division, **Subsidiary** or group of the **Insured Entity** offering any of the aforementioned services;
- N. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any federal, state, local or foreign wage and hour laws, including, without limitation, the Fair Labor Standards Act;
- O. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged breach of any oral or written contract or agreement; provided, however, this exclusion shall not apply with respect to Insuring Agreements I. A. and I. B. of this **Coverage Section** or to the extent that an **Insured Entity** would have been liable in the absence of the contract or agreement;
- P. based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged:
1. plagiarism or piracy, or
 2. infringement of copyright, patent, title or slogan, or
 3. idea misappropriation, or
 4. intellectual property rights;
- provided, however, this exclusion shall not apply with respect to Insuring Agreements I. A. and I. B. of this **Coverage Section**.

[The **Wrongful Act** of an **Insured** shall not be imputed to any other **Insured** for the purpose of determining the applicability of the Exclusions.]

V. Changes in Exposure

A. Acquisition or Creation of a Subsidiary

If during this **Policy Period** the **Insured Entity** forms or acquires a **Subsidiary**, then this **Policy** shall provide coverage pursuant to this **Coverage Section**:

1. automatically for an entity whose assets total less than 25 percent of the total consolidated assets of the **Insured Entity** as of the **Policy** inception date, or
2. for an entity whose total assets are equal to or greater than 25 percent of the total consolidated assets of the **Insured Entity** as of the **Policy** inception date, but only upon the condition that within 60 days of it becoming a **Subsidiary**, the **Named Insured** shall have provided the **Insurer** with full particulars of the new **Subsidiary** and agreed to any additional premium and/or amendment of the provisions of this **Policy** required by the **Insurer** relating to such new **Subsidiary**. Further, coverage as shall be afforded to the new **Subsidiary** is conditioned upon the **Named Insured** paying when due any additional premium required by the **Insurer** relating to such new **Subsidiary**.

An entity becomes a **Subsidiary** when the **Insured Entity** owns more than 50 percent of the issued and outstanding voting stock either directly or indirectly through one or more of its **Subsidiaries**. An entity ceases to be a **Subsidiary** when the **Insured Entity** ceases to own more than 50 percent of the issued and outstanding voting stock either directly or indirectly through one or more of its **Subsidiaries**.

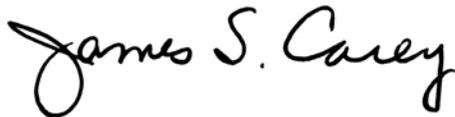
In all events, coverage afforded pursuant to this **Coverage Section** with respect to a **Claim** made against a **Subsidiary** shall only apply for **Wrongful Acts** committed or allegedly committed after the effective time that such **Subsidiary** became a **Subsidiary** and prior to the time that such **Subsidiary** ceased to be a **Subsidiary**.

B. Securities Offerings

If during the **Policy Period** the **Insured Entity** offers for sale securities issued by an **Insured Entity**, regardless of whether the offering is subject to registration with the Securities and Exchange Commission, then this **Policy** shall continue in full force and effect; provided, however, the **Insurer** shall not be liable to make any payment for **Loss** in connection with a **Claim** made against any **Insured** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the Securities Act of 1933, the Securities Exchange Act of 1934, including amendments thereto, rules or regulations promulgated under either Act, or any similar state statutes, rules, regulations or common law, occurring on or after such time the securities are offered for sale. The **Named Insured** shall give the **Insurer** written notice of such sale of securities as soon as practicable but not later than 30 days after the effective date of such sale of securities.

It is further understood and agreed that if during the **Policy Period**, the **Named Insured** offers for sale securities issued by an **Insured Entity**, then the **Insurer** must offer a quote for coverage under this paragraph subject to such terms, conditions and additional premium as the **Insurer** may require; provided, however, the **Named Insured** shall, within 30 days of the filing, provide the **Insurer** with written notice of the filing, along with all particulars and underwriting information the **Insurer** may require.

In witness whereof, the **Insurer** has caused this **Policy** to be signed by its President and Chief Executive Officer and Secretary, but this **Policy** shall not be valid unless countersigned on the Declarations Page by a duly authorized representative of the **Insurer**.



President and Chief Executive Officer



Secretary

Management Liability Insurance

CLAIMS MADE WARNING FOR DECLARATIONS

NOTICE: THIS POLICY PROVIDES COVERAGE ON A CLAIMS MADE AND REPORTED BASIS SUBJECT TO ITS TERMS. THIS POLICY APPLIES ONLY TO ANY "CLAIM" FIRST MADE AGAINST THE INSUREDS AND REPORTED TO THE INSURER DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD (IF APPLICABLE).

PLEASE READ AND REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

Whenever printed in this Declarations Page, the boldface type terms shall have the same meanings as indicated in the **Policy**.

- Item 1. Name and Address of **Named Insured**: Policy Number: <<****>>
 <<Insured>>
 <<Address 1>>
 <<Address 2>>
 <<City>>, <<State>> <<Zip Code>>
 Person designated to receive all correspondence from the **Insurer**:
 <<Contact Name>>
 <<Contact Title>>
- Item 2. **Policy Period**: From <<Policy Inception>> (inception date) to <<Policy Expiration>> (expiration date)
*(Both dates at 12:01 a.m. Standard Time at the address of the **Named Insured**)*
- Item 3. Purchased **Coverage Sections**:
- | | | |
|--|------------------------------|-----------------------------|
| Directors, Officers and Corporate Liability Insurance Coverage Section | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Employment Practices Liability Insurance Coverage Section: | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Fiduciary Liability Insurance Coverage Section | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- Item 4. Aggregate Limit of Liability for the **Policy Period** (inclusive of **Damages** and **Costs of Defense**) for all **Coverage Sections** purchased as indicated above. \$<<Limit of Liability>>
- Item 5. Applicable Deductibles:
- | | |
|--|-----------------------------|
| 1. Directors, Officers and Corporate Liability Insurance Coverage Section: | |
| A. Individual Non-Indemnifiable: | \$<<Retention 5 D&O >> |
| B. Individual Indemnifiable: | \$<<Retention 4 D&O >> |
| C. Corporate Liability: | \$<<Retention 1 Entity>> |
| 2. Employment Practices Liability Insurance Coverage Section: | \$<<Retention 3 EPL>> |
| 3. Fiduciary Liability Insurance Coverage Section: | \$<<Retention 2 Fiduciary>> |
- Item 6. Premium: \$<<Premium>>
- Item 7. Prior and Pending Litigation Dates:
- | | |
|---|---|
| Directors, Officers and Corporate Liability Insurance Coverage Section: | <<Prior & Pending Litigation date 1 DO>> |
| Employment Practices Liability Insurance Coverage Section: | <<Prior & Pending Litigation date 4 EPL>> |
| Fiduciary Liability Insurance Coverage Section: | <<Prior & Pending Litigation date 5 FL>> |
- Item 8. Forms and Endorsements attached:
 Policy Form: CT 22360 (10-05) / ML 26360 (10-05) / <<EPL 24360 (10-05)>> / <<FL 25360 (06-05)>>
 <<Number>> <<Revision date>> <<Endorsement Title>>
 <<Number>> <<Revision date>> <<Endorsement Title>>
 <<Number>> <<Revision date>> <<Endorsement Title>>
 <<Number>> <<Revision date>> <<Endorsement Title>>
- Item 9. Notice to the **Insurer** as provided in sections VII. A. and VII. B. of the Common Policy Terms and Conditions Section of this **Policy** shall be sent to: Monitor Liability Managers, Inc., Claims Department
 Address: 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039
 Fax: (847) 806-4017
 Email: newclaim@monitorliability.com
 All other notices required to be given to the **Insurer** under this **Policy** shall be sent to: Monitor Liability Managers, Inc.
 Address: 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039
 Fax: (847) 806-6282

The Management Liability Insurance **Policy** shall constitute the contract between the **Insureds** and the **Insurer**.

Authorized Representative: _____
 ML 26361 (10-05)

Date Issued: << today's date >>
 Page 1 of 1

**Addition to Section II.
Purchase of Extended Reporting Period**

In consideration of the additional premium paid for this endorsement of \$<<insert premium paid according to existing policy provisions>>, it is understood and agreed that pursuant to section II. Extended Reporting Period A. of the Common Policy Terms and Conditions Section of this **Policy**, the **Named Insured** has purchased an Extended Reporting Period of <<insert number of months negotiated>> months, which Extended Reporting Period shall commence at 12:01 a.m. on <<beginning date of ERP>> and expire at 12:01 a.m. on <<ending date of ERP>>.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

SPECIMEN ENDORSEMENT

**Addition to Section III.
Definitions**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section III. Definitions of the Common Policy Terms and Conditions Section of this **Policy** is amended as follows:

III.: <<Insert Additional Wording here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section III. B.
Addition of Insured Entity**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section III. Definitions B. "**Insured Entity**" of the Common Policy Terms and Conditions Section of this **Policy** is amended by the addition of the following:

III. B.: It is further understood and agreed that **Insured Entity** shall also include the following:
<<list additional Insured Entity's name here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section III. B.
Deletion of Insured Entity**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section III. Definitions B. "**Insured Entity**" of the Common Policy Terms and Conditions Section of this **Policy** is amended by the addition of the following:

III. B.: It is further understood and agreed that **Insured Entity** shall not include:
<<list deleted Insured Entity's name here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section III. B.
Addition of Insured Entity
with Prior and Pending Litigation and Past Acts Exclusion**

In consideration of the premium paid for this **Policy**, it is understood and agreed that:

1. Section III. Definitions B. "**Insured Entity**" of the Common Policy Terms and Conditions Section of this **Policy** is amended by the addition of the following:

III. B.: It is further understood and agreed that **Insured Entity** shall also include any entity listed below, but only with respect to the **Insured Entity's** respective Effective Date:

Insured Entity	<u>Effective Date</u>
<<list additional Insured Entity here>>	<<Corresponding Effective or Acquisition date>>
<<list additional Insured Entity here>>	<<Corresponding Effective or Acquisition date>>
<<list additional Insured Entity here>>	<<Corresponding Effective or Acquisition date>>

2. Solely with respect to the coverage provided by this endorsement, section IV. Exclusions of the Common Policy Terms and Conditions Section of this **Policy** is amended by the addition of the following:

IV.: based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:

1. any prior or pending litigation, administrative or arbitration proceeding as of the Effective Date indicated above, or
2. any fact, circumstance, situation, transaction or event underlying or alleged in such litigation, administrative or arbitration proceeding,

regardless of the legal theory upon which such **Claim** is predicated, with respect to the **Subsidiary** listed above or any of its directors, officers or employees.

IV.: based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:

1. any **Wrongful Act** which occurred on or before the Effective Date indicated above, or
2. any **Wrongful Act** occurring on or subsequent to the acquisition date which, together with an **Wrongful Act** occurring prior to such date, would constitute a **Related Wrongful Act**.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section III. H.
Addition of Subsidiary**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section III. Definitions H. "**Subsidiary(ies)**" of the Common Policy Terms and Conditions Section of this **Policy** is amended by the addition of the following:

III. H.: It is further understood and agreed that **Subsidiary** shall also include the following:
<<list additional Subsidiaries here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section III. H.
Deletion of Subsidiary**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section III. Definitions H. "**Subsidiary(ies)**" of the Common Policy Terms and Conditions Section of this **Policy** is amended by the addition of the following:

III. H.: It is further understood and agreed that **Subsidiary** shall not include the following:
<<list deleted Subsidiaries here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section III. H.
Addition of Subsidiary
with Prior and Pending Litigation and Past Acts Exclusion**

In consideration of the premium paid for this **Policy**, it is understood and agreed that:

1. Section III. Definitions H. "**Subsidiary(ies)**" of the Common Policy Terms and Conditions Section of this **Policy** is amended by the addition of the following:

III. H.: It is further understood and agreed that **Subsidiary** shall also include any entity listed below, but only with respect to the **Subsidiary's** respective Effective Date:

Subsidiary	<u>Effective Date</u>
<<list additional Subsidiaries here>>	<<Corresponding Effective or Acquisition date>>
<<list additional Subsidiaries here>>	<<Corresponding Effective or Acquisition date>>
<<list additional Subsidiaries here>>	<<Corresponding Effective or Acquisition date>>

2. Solely with respect to the coverage provided by this endorsement, section IV. Exclusions of the Common Policy Terms and Conditions Section of this **Policy** is amended by the addition of the following:

IV.: based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:

1. any prior or pending litigation, administrative or arbitration proceeding as of the Effective Date indicated above, or
2. any fact, circumstance, situation, transaction or event underlying or alleged in such litigation, administrative or arbitration proceeding,

regardless of the legal theory upon which such **Claim** is predicated, with respect to the **Subsidiary** listed above or any of its directors, officers or employees.

IV.: based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:

1. any **Wrongful Act** which occurred on or before the Effective Date indicated above, or
2. any **Wrongful Act** occurring on or subsequent to the acquisition date which, together with an **Wrongful Act** occurring prior to such date, would constitute a **Related Wrongful Act**.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section IV.
Exclusions**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section IV. Exclusions of the Common Policy Terms and Conditions Section of this **Policy** is amended as follows:

IV.: <<Insert Additional Wording here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section IV.
Past Acts Exclusion**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section IV. Exclusions of the Common Policy Terms and Conditions Section of this **Policy** is amended by the addition of the following:

IV.: based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:

1. any **Wrongful Act** which occurred on or before <<to be determined>>, or
2. any **Wrongful Act** occurring on or subsequent to <<to be determined>> which, together with an **Wrongful Act** occurring prior to such date, would constitute a **Related Wrongful Act**.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section V.
Limit of Liability and Deductibles**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section V. Limit of Liability and Deductibles of the Common Policy Terms and Conditions Section of this **Policy** is amended as follows:

V.: <<Insert Additional Wording here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section VI.
Defense, Cooperation and Settlements**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section VI. Defense, Cooperation and Settlements of the Common Policy Terms and Conditions Section of this **Policy** is amended as follows:

VI.: <<Insert Additional Wording here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

Costs of Defense Only Coverage

In consideration of the premium paid for this **Policy**, it is understood and agreed that:

1. Section V. Limit of Liability and Deductibles B. of the Common Policy Terms and Conditions Section of this **Policy** is deleted in its entirety.
2. Section VI. Defense, Cooperation and Settlements of the Common Policy Terms and Conditions Section of this **Policy** is deleted in its entirety and replaced with the following:
 - VI. A.: An **Insured** shall not incur **Costs of Defense** without the **Insurer's** prior written consent. The **Insurer's** consent shall not be unreasonably withheld, provided that the **Insurer** shall be entitled to full information and all particulars it may request in order to reach a decision regarding such consent. Any **Loss** incurred prior to the **Insurer** giving its consent shall not be covered hereunder.
 - VI. B.: The **Insurer** has no obligation to provide **Costs of Defense** for any **Claim** for **Wrongful Acts** not covered by this **Policy**.
 - VI. C.: Each **Insured** shall cooperate with the **Insurer** in the defense of any **Claim**, and in enforcing any right of contribution or indemnity against any person or organization that may be liable to the **Insured**, at no cost to the **Insurer**. Upon the request of the **Insurer**, the **Insured** shall submit to examination and interrogation, under oath if required by a representative of the **Insurer**, and shall attend hearings, depositions and trials, securing and giving evidence, obtaining the attendance of witnesses, as well as giving written statements to the **Insurer's** representatives, and meeting with such representatives for purposes of investigation or defense, all without charge to the **Insurer**.
 - VI. D. If the **Named Insured** shall refuse to consent to any settlement recommended by the **Insurer**, which is acceptable to the claimant, and shall elect to contest the **Claim**, or continue any civil, criminal, administrative, or arbitration proceedings in connection with such **Claim**, then the **Insurer's** liability for **Costs of Defense** shall not exceed the amount for which the **Claim** could have been settled, including **Costs of Defense** incurred up to the date of such refusal. Such amounts are subject to the provisions of section V. of the Common Policy Terms and Conditions Section of this **Policy**.
3. Section III. Additional Definitions "**Damages**" in all **Coverage Sections** of this **Policy** are deleted in their entirety.
4. Section III. Additional Definitions "**Loss**" in all **Coverage Sections** of this **Policy** is deleted in its entirety and replaced with the following:
 - III.: "**Loss**" means **Costs of Defense**.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section VII.
Notice of Claim and Multiple Claims**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section VII. Notice of Claim and Multiple Claims of the Common Policy Terms and Conditions Section of this **Policy** is amended as follows:

VII.: <<Insert Additional Wording here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section VIII.
General Conditions**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section VIII. General Conditions of the Common Policy Terms and Conditions Section of this **Policy** is amended as follows:

VIII.: <<Insert Additional Wording here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

SPECIMEN ENDORSEMENT

**Addition to Section VIII. D.
Purchase of Run Off Period**

In consideration of the additional premium paid for this endorsement of \$<<insert Run Off premium amount>>, it is understood and agreed that pursuant to section VIII. General Conditions D. of the Common Policy Terms and Conditions Section of this **Policy**, the **Named Insured** has purchased a Run Off Period of <<insert term of Run Off selected>> months, which Run Off Period shall commence at 12:01 a.m. on <<beginning date of Run Off Period>> and expire at 12:01 a.m. on <<ending date of Run Off Period>>.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section III.
Additional Definitions**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section III. Additional Definitions of the Directors, Officers and Corporate Liability Insurance Coverage Section of this **Policy** is amended as follows:

III.: <<Insert Additional Wording here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section IV.
Additional Exclusions**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section IV. Additional Exclusions of the Directors, Officers and Corporate Liability Insurance Coverage Section of this **Policy** is amended as follows:

IV.: <<Insert Additional Wording here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section IV.
Past Acts Exclusion**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section IV. Additional Exclusions of the Directors, Officers and Corporate Liability Insurance Coverage Section of this **Policy** is amended by the addition of the following:

IV.: based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:

1. any **Wrongful Act** which occurred on or before <<to be determined>>, or
2. any **Wrongful Act** occurring on or subsequent to <<to be determined>> which, together with a **Wrongful Act** occurring prior to such date, would constitute a **Related Wrongful Act**.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section IV.
Major Stockholder Exclusion**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section IV. Additional Exclusions of the Directors, Officers and Corporate Liability Insurance Coverage Section of this **Policy** is amended by the addition of the following:

IV.: brought or maintained by or on behalf of any individual and/or entity, and/or its subsidiaries, and/or its affiliates and/or its directors and/or officers, that has or had during the **Policy Period** direct or indirect ownership or voting control of <<insert percent required>> percent or more of any class of outstanding stock of the **Insured Entity**.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section IV.
Interested Party Exclusion**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section IV. Additional Exclusions of the Directors, Officers and Corporate Liability Insurance Coverage Section of this **Policy** is amended by the addition of the following:

IV.: brought or maintained by or on behalf of <<to be determined>> and/or its subsidiaries and/or its affiliates and/or its directors and/or officers.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section IV.
Anti-Trust Exclusion**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section IV. Additional Exclusions of the Directors, Officers and Corporate Liability Insurance Coverage Section of this **Policy** is amended by the addition of the following:

IV.: based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged violation of any federal or state statutes enacted to protect trade or commerce from unlawful restraints and/or monopolies, or any combination thereof, or the violation of any common law rule or law which prohibits unlawful restraints and/or monopolies in trade or commerce.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Addition to Section V.
Changes in Exposure**

In consideration of the premium paid for this **Policy**, it is understood and agreed that section V. Changes in Exposure of the Directors, Officers and Corporate Liability Insurance Coverage Section of this **Policy** is amended as follows:

V.: <<Insert Additional Wording here>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Modification to Item 1. of the Declarations
Name and Address of Named Insured**

In consideration of the premium paid for this **Policy**, it is understood and agreed that Item 1. Name and Address of **Named Insured**, of the Declarations is hereby amended to read as follows:

Item 1. Name and Address of **Named Insured**:

<<Insured>>

<<Address 1>>

<<Address 2>>

<<City>>, <<State>> <<Zip Code>>

Person designated to receive all correspondence from the **Insurer**:

<<Contact Name>>

<<Contact Title>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Modification to Item 2. of the Declarations
Policy Period**

In consideration of the premium paid for this **Policy**, it is understood and agreed that Item 2. **Policy Period**, of the Declarations is hereby amended to read as follows:

Item 2. **Policy Period:** From <<Policy Inception>> (inception date) to <<Policy Expiration>> (expiration date)
*(Both dates at 12:01 a.m. Standard Time at the address of the **Named Insured**)*

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Modification to Item 2. of the Declarations
Extend Policy Period**

In consideration of the additional premium of \$<<insert amount>>, it is understood and agreed that Item 2. **Policy Period**, of the Declarations is hereby amended to read as follows:

Item 2. **Policy Period:** From <<Policy Inception>> (inception date) to <<Policy Expiration>> (expiration date)
*(Both dates at 12:01 a.m. Standard Time at the address of the **Named Insured**)*

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Modification to Item 2. of the Declarations
Change Policy Period**

In consideration of the premium returned in the amount of \$<<insert amount>>, it is understood and agreed that Item 2. **Policy Period**, of the Declarations is hereby amended to read as follows:

Item 2. **Policy Period:** From <<Policy Inception>> (inception date) to <<Policy Expiration>> (expiration date)
*(Both dates at 12:01 a.m. Standard Time at the address of the **Named Insured**)*

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

SPECIMEN ENDORSEMENT

**Modification to Item 3. of the Declarations
Purchased Coverage Sections**

In consideration of the premium paid for this **Policy**, it is understood and agreed that Item 3. Purchased Coverage Sections, of the Declarations is hereby amended to read as follows:

- Item 3. Purchased Coverage Sections:
- Directors, Officers and Corporate Liability Insurance Coverage Section Yes No
 - Employment Practices Liability Insurance Coverage Section: Yes No
 - Fiduciary Liability Insurance Coverage Section Yes No

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Modification to Item 4. of the Declarations
Aggregate Limit of Liability for the Policy Period**

In consideration of the premium paid for this **Policy**, it is understood and agreed that Item 4. Aggregate Limit of Liability for the **Policy Period** (inclusive of **Damages and Costs of Defense**), of the Declarations is hereby amended to read as follows:

Item 4. Aggregate Limit of Liability for the **Policy Period** (inclusive of **Damages and Costs of Defense**) for all **Coverage Sections** purchased as indicated above. \$<<Limit of Liability>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Modification to Item 4. of the Declarations
Change in Aggregate Limit of Liability for the Policy Period**

In consideration of the premium paid for this **Policy**, it is understood and agreed that:

1. From <<insert Policy inception date>> to <<insert change effective date>>, Item 4. Aggregate Limit of Liability for the **Policy Period** (inclusive of **Damages and Costs of Defense**), of the Declarations reads as follows:
Item 4. Aggregate Limit of Liability for the **Policy Period** (inclusive of **Damages and Costs of Defense**) for all **Coverage Sections** purchased as indicated above: \$<<Old policy Limit >>
2. From <<insert change effective date>> to <<insert Policy expiration date>>, Item 4. Aggregate Limit of Liability for the **Policy Period** (inclusive of **Damages and Costs of Defense**), of the Declarations reads as follows:
Item 4. Aggregate Limit of Liability for the **Policy Period** (inclusive of **Damages and Costs of Defense**) for all **Coverage Sections** purchased as indicated above: \$<<New policy Limit >>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Modification to Item 5. of the Declarations
Applicable Deductibles**

In consideration of the premium paid for this **Policy**, it is understood and agreed that Item 5. Applicable Deductibles, of the Declarations is hereby amended to read as follows:

- Item 5. Applicable Deductibles:
- 1. Directors, Officers and Corporate Liability Insurance Coverage Section:
 - A. Individual Non-Indemnifiable: \$<<Retention 5 D&O >>
 - B. Individual Indemnifiable: \$<<Retention 4 D&O >>
 - C. Corporate Liability: \$<<Retention 1 Entity>>
 - 2. Employment Practices Liability Insurance Coverage Section: \$<<Retention 3 EPL>>
 - 3. Fiduciary Liability Insurance Coverage Section: \$<<Retention Fiduciary>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

SPECIMEN ENDORSEMENT

**Modification to Item 5. of the Declarations
Change in Applicable Deductibles**

In consideration of the premium paid for this **Policy**, it is understood and agreed that:

1. From <<insert Policy inception date>> to <<insert change effective date>>, Item 5. Applicable Deductibles, of the Declarations reads as follows:

Item 5. Applicable Deductibles:

- 1. Directors, Officers and Corporate Liability Insurance Coverage Section:
 - A. Individual Non-Indemnifiable: \$<<Retention 5 D&O >>
 - B. Individual Indemnifiable: \$<<Retention 4 D&O >>
 - C. Corporate Liability: \$<<Retention 1 Entity>>
- 2. Employment Practices Liability Insurance Coverage Section: \$<<Retention 3 EPL>>
- 3. Fiduciary Liability Insurance Coverage Section: \$<<Retention Fiduciary>>

2. From <<insert change effective date>> to <<insert Policy expiration date>>, Item 5. Applicable Deductibles, of the Declarations reads as follows:

Item 5. Applicable Deductibles:

- 1. Directors, Officers and Corporate Liability Insurance Coverage Section:
 - A. Individual Non-Indemnifiable: \$<<Retention 5 D&O >>
 - B. Individual Indemnifiable: \$<<Retention 4 D&O >>
 - C. Corporate Liability: \$<<Retention 1 Entity>>
- 2. Employment Practices Liability Insurance Coverage Section: \$<<Retention 3 EPL>>
- 3. Fiduciary Liability Insurance Coverage Section: \$<<Retention Fiduciary>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Modification to Item 6. of the Declarations
Premium**

In consideration of the <<insert either additional or return>> premium of \$<<Identify whether positive or negative Premium Amount>>, it is understood and agreed that Item 6. Premium, of the Declarations is hereby amended to read as follows:

Item 6. Premium: \$<<Premium>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

SPECIMEN ENDORSEMENT

**Modification to Item 6. of the Declarations
Premium Adjustment due to Cancellation by Insured**

In consideration of the premium paid for this Policy, it is understood and agreed that Item 6. Premium, of the Declarations is hereby amended to read as follows:

Item 6. Premium: \$<<Premium>>
Short rate fee: \$<<Premium>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Modification to Item 6. of the Declarations
Premium Adjustment**

In consideration of the premium paid for this **Policy**, it is understood and agreed that Item 6. Premium, of the Declarations is hereby amended by the addition of the following:

The <<insert either additional or return>> premium of \$<<Identify whether positive or negative Premium Amount>> is solely with respect to endorsement <<insert number of endorsement affected>> <<insert either attached to or deleted from>> this **Policy** as of <<Corresponding Effective date>>.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

**Modification to Item 7. of the Declarations
Prior and Pending Litigation Dates**

In consideration of the premium paid for this **Policy**, it is understood and agreed that Item 7. Prior and Pending Litigation Dates, of the Declarations is hereby amended to read as follows:

Item 7.	Prior and Pending Litigation Dates:	
	Directors, Officers and Corporate Liability Insurance Coverage Section:	<<Prior and Pending Litigation date>>
	Employment Practices Liability Insurance Coverage Section:	<<Prior and Pending Litigation date>>
	Fiduciary Liability Insurance Coverage Section:	<<Prior and Pending Litigation date>>

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

Deletion of Endorsement

In consideration of the premium paid for this **Policy**, it is understood and agreed that Item 8. Forms and Endorsements attached, of the Declarations is hereby amended as follows:

Endorsement number <<to be determined>> is hereby deleted in its entirety as of <<insert change effective date>>.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

Carolina Casualty Insurance Company

4600 Touchton Road East, Building 100, Suite 400, Jacksonville, FL 32246

Proposal Form

Management Liability Insurance

CLAIMS MADE WARNING FOR APPLICATION

THIS PROPOSAL FORM IS FOR A CLAIMS MADE AND REPORTED POLICY, RELATING TO CLAIMS MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE.

Whenever printed in this Proposal Form, the terms in boldface type shall have the same meanings as indicated in the **Policy**. This Proposal Form is to be completed with respect to the entire Insured Entity. **Insured Entity** as used herein is defined to include the **Named Insured** and any **Subsidiaries**.

Name of **Named Insured**

Street Address

Suite

City

County

State

Zip Code

Website Address (if applicable)

Federal Employer Identification Number (FEIN)

The Officer designated as agent of the **Insured Entity** and of all **Insureds** to receive any and all notices from the **Insurer** or their authorized representatives concerning this insurance:

Contact Name

Title

E-mail Address

Telephone Number

Fax Number

Producer Information

Submitted by (Agency Name)

Dated

Agent's Name (Individual's Name)

Agent's License Number

Coverage Section(s) Requested

(Complete only those sections of this Proposal Form specific to the **Coverage Section(s)** requested.)

Directors, Officers and Corporate Liability Insurance Coverage Section: Yes No Limit Requested: \$

Employment Practices Liability Insurance Coverage Section: Yes No Limit Requested: \$

Fiduciary Liability Insurance Coverage Section: Yes No Limit Requested: \$

Indicate the type of limit requested: Combined Aggregate Limit of Liability for all Coverage Sections, or

Separate Aggregate Limit of Liability for each Coverage Section

Current Insurance Information (Provide details to all "Yes" answers by attachment)

1. Provide the following information regarding the **Insured Entity's** most recent insurance policies. If "None", so state.

Type of Policy	Insurance Carrier	Expiration Date	Limit of Liability	Deductible	Premium
Directors and Officers Liability: <input type="checkbox"/> None			\$	\$	\$
Employment Practices Liability: <input type="checkbox"/> None			\$	\$	\$
Fiduciary Liability: <input type="checkbox"/> None			\$	\$	\$
General Liability: <input type="checkbox"/> None			\$	\$	\$
Other: <input type="checkbox"/> None			\$	\$	\$

2. Has the Extended Reporting Period (or Discovery Period) been exercised for the **Insured Entity's** most recent Directors and Officers Liability, Employment Practices Liability, or Fiduciary Liability insurance policies? Yes No

3. Within the last 3 years, has any **Claim** been made or has notice been given under any of the previous policies for Directors and Officers Liability, Employment Practices Liability or Fiduciary Liability insurance or similar insurance? Yes No

4. Within the last 3 years, has any Directors and Officers Liability, Employment Practices Liability, Fiduciary Liability insurance, or similar insurance policies for the **Insured Entity** ever been cancelled or non-renewed? Yes No
NOT APPLICABLE IN MISSOURI

Carolina Casualty Insurance Company

General Information (Provide details to all "Yes" answers by attachment)

1. The **Named Insured** has been in continuous operation since: _____
 2. (a) What is the **Insured Entity's** Primary Standard Industrial Classification ("SIC") Code? _____
 (b) Describe the **Insured Entity's** nature of operations: _____
 3. (a) Form of organization:

<input type="checkbox"/> Cooperative	<input type="checkbox"/> Corporation	<input type="checkbox"/> Joint Venture*
<input type="checkbox"/> Limited Liability Corporation	<input type="checkbox"/> Nonprofit	<input type="checkbox"/> Partnership*
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other: _____	

*If a Partnership or Joint Venture, provide participation or ownership structure details by attachment.

 (b) Type of organization:

<input type="checkbox"/> Manufacturing / Production	<input type="checkbox"/> Public Administration	<input type="checkbox"/> Retail Trade
<input type="checkbox"/> Service Industry	<input type="checkbox"/> Web Based	<input type="checkbox"/> Wholesale Distributing
 4. Is the **Named Insured** or any **Subsidiary** publicly held or a public reporting company under the Securities Exchange Act of 1934? Yes No
 5. Provide the following financial information with respect to the **Insured Entity**:
 Assets (000): \$ _____ Annual Revenues (000): \$ _____ Total Number of **Employees**: _____
 Equity (000): \$ _____ Operating Income / Loss (000): \$ _____ Period Ending: _____ / _____ / _____
 6. What percentage of the **Insured Entity's** annual revenue is generated or expected to be generated directly from the Internet over the next 18 months? _____ %
 7. (a) Is the **Insured Entity** currently in bankruptcy? Yes No
 (b) Within the next 12 months, is the **Insured Entity** contemplating filing a petition for protection under the bankruptcy code? Yes No
 8. (a) Within the last 12 months, has the **Insured Entity** had any **Subsidiary**, plant, facility, branch or office closings, consolidations or layoffs? Yes No
 (b) Within the next 24 months, does the **Insured Entity** anticipate any **Subsidiary**, plant, facility, branch or office closings, consolidations or layoffs? Yes No
 If "Yes", provide the following details by attachment: Date of event; number of **Employees** affected; whether outside employment counsel was consulted; and, whether severance packages were offered to all **Employees** affected.
 9. Within the last 3 years, has there been any change (resignations, departures, retirements, etc.) in the position of the Chairman of the Board, President, Chief Executive Officer or Chief Financial Officer? Yes No
 If "Yes", provide the following details by attachment: Name of individual; date of change; and reason for change.
 10. Provide the following information on all Subsidiaries of the **Insured Entity**. If "None", so state. None
- | <u>Subsidiary Name</u> | <u>Nature of Business</u> | <u>Percent* Owned by the Insured Entity</u> | <u>Date Created or Acquired</u> | <u>Domestic / Foreign</u> |
|------------------------|---------------------------|---|---------------------------------|---------------------------|
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |

*If **Subsidiary** is less than 100 percent owned, provide details to all minority owners, when applicable, by attachment.

IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR SUBSIDIARIES IN QUESTION 10. UNLESS THE INFORMATION REQUESTED ABOVE IS PROVIDED.

Documents Required (The following information must be submitted with the completed Proposal Form).

Directors, Officers and Corporate Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment
- Most recent interim and annual financial statements (audited, if available)

Employment Practices Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment

Fiduciary Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment
- A copy of the most recent public accountant's audit report or IRS Form 5500 for each **Employee Benefit Plan**

Carolina Casualty Insurance Company

Directors, Officers and Corporate Liability Insurance Coverage Section Information

1. Provide the following information regarding the **Insured Entity's** outstanding ownership:
- | | <u>Common Stock /
Membership Units</u> | <u>Preferred Stock</u> |
|--|---|--|
| (a) Total number of shares or units outstanding: | _____ | _____ |
| (b) Total number of security holders: | _____ | _____ |
| (c) Number of shares or units owned directly and/or beneficially by the Insured Persons : | _____ | _____ |
| (d) Does any security holder own, or have the right to own, directly and/or beneficially, 10 percent or more of the Insured Entity's outstanding shares or units? <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| If "Yes", provide the following information: | | |
| <u>Name of Security Holder
(including individual and corporate names)</u> | <u>Percent Owned by
Security Holder</u> | <u>Represented on the Insured Entity's Board of
Directors or Board of Managers?</u> |
| _____ | _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| _____ | _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| _____ | _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| _____ | _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| _____ | _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No |
2. Within the last 18 months, has the **Insured Entity** been involved in, or is it presently considering, any sale of its stock (in excess of 10 percent of the total stock outstanding), repurchase of its stock, merger, consolidation, acquisition, tender offer, private placement, or divestment? If "Yes", complete (a), (b) and (c) below: Yes No
- (a) Is this with respect to a Registration Statement for a public offering of securities within the next 12 months? Yes No
If "Yes", attach the prospectus including all amendments thereto, or describe below if prospectus is unavailable.
- _____
- (b) Is this with respect to funds being generated by venture capital or private placement funding? Yes No
If "Yes", describe: _____
- _____
- (c) If "No", for (a) and (b) above, provide the following details below: Description of referenced transaction; date or anticipated date of transaction; and any other appropriate details.
- _____
3. Is the **Insured Entity** engaged in any of the following activities? If "None", so state. None
- | | | |
|---|--|--|
| <input type="checkbox"/> Captive Insurance Company operations | <input type="checkbox"/> Insurance Company operations | |
| <input type="checkbox"/> Franchising | <input type="checkbox"/> Activities that fall under The Investment Company Act of 1940 | |
| <input type="checkbox"/> General Partnership operations | <input type="checkbox"/> Joint Venture(s) | |
4. During the last 5 years, has the **Insured Entity** or any of the **Insured Persons** received any written demands for monetary or non-monetary relief, been involved in, or had any knowledge of any civil or criminal action, administrative or arbitration proceeding, including both domestic or foreign equivalents, involving:
- (a) any intellectual property disputes, including Copyright, Patent, or Trademark Laws? Yes No
- (b) any alleged violation of any Federal or State Security Law or Regulation? Yes No
- (c) any alleged violation of any Federal or State Anti-Trust or Fair Trade Law? Yes No
- (d) any other allegations of violations of federal, state or local statute, regulation, ordinance or common law that would otherwise be within the scope of this proposed insurance? Yes No

IF "YES" TO ANY PART OF QUESTION 4., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:

- | | | | |
|---------------------------|--|----------------|---------------------|
| (a) Date Claim first made | (b) Claimant's Name | (c) Allegation | (d) Current Status |
| (e) Demand Amount | (f) Settlement (Indemnity) or Reserve Amount | | (g) Attorney's fees |

IT IS UNDERSTOOD AND AGREED THAT THE INSURER SHALL NOT BE LIABLE TO MAKE ANY PAYMENT FOR LOSS IN CONNECTION WITH ANY CLAIM MADE AGAINST ANY INSURED BASED UPON, ARISING OUT OF, DIRECTLY OR INDIRECTLY RESULTING FROM OR IN CONSEQUENCE OF, OR IN ANY WAY INVOLVING ANY LAWSUIT, ADMINISTRATIVE PROCEEDING, WRITTEN DEMAND, FACT, CIRCUMSTANCE, OR SITUATION SET FORTH OR THAT SHOULD HAVE BEEN SET FORTH IN THE INSURED'S RESPONSE TO QUESTION 4.

Carolina Casualty Insurance Company

Employment Practices Liability Insurance Coverage Section Information

1. Number of Employees:	<u>Full Time</u>	<u>Part Time</u>	<u>Leased</u>	<u>Seasonal and/or Temporary</u>	<u>Volunteers and/or Interns</u>	<u>Independent Contractors</u>	<u>Annual Turnover Rate</u>
Current Year:							
Last Year:							

2. What percentage of the **Insured Entity's Employees** work with the general public, work at customer locations or perform a majority of their functions off-site? _____ %

3. What percentage of the **Insured Entity's Employees** currently earns more than \$100,000? _____ %

4. Provide the top three locations by employee count of all plants, facilities, branches or offices of the **Insured Entity**. If "None", so state. None

<u>Location</u>	<u>Nature of Business</u>	<u>Number of Employees</u>	<u>Domestic / Foreign</u>
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

5. Does the **Insured Entity** currently employ a full time Human Resources professional? Yes No

6. Does the **Insured Entity** (details to "Yes" or "No" answers are not required by attachment):

- (a) Utilize employment applications for all prospective **Employees**? Yes No
- (b) Require the Human Resource Department to review and approve each proposed **Employee** termination? Yes No
- (c) Have outside employment counsel review each proposed **Employee** termination? Yes No
- (d) Maintain a written policy prohibiting Sexual Harassment and distribute that policy to all **Employees**? Yes No
- (e) Conduct mandatory periodic **Employee** education regarding prohibited forms of harassment? Yes No
- (f) Periodically have its employment policies and procedures reviewed by outside employment counsel? Yes No
- (g) Periodically have its employment policies and procedures distributed to all **Employees**? Yes No
- (h) Have a written procedure for notification and handling of employment related grievances, disputes, notifications, or claims? Yes No

7. Indicate which formal written policies and procedures have been implemented and attach a copy of each. If "None", so state. None

- Employee Handbook / Manual
- Anti-Discrimination Policy – Equal Employment Opportunity (EEO) Policy
- Anti-Harassment Policy, including Sexual Harassment
- Adherence to Employment "at-will" relationship with all **Employees**
- Employers with more than 50 Employees
- Family Medical Leave Act California Employers Only
- California Family Rights Act

8. During the last 5 years, has any **Insured** known of, or been involved in any lawsuit, charges, inquiries, investigations, grievances or other administrative hearings or proceedings before any of the following agencies and/or in any of the following forums, including both domestic or foreign equivalents?

- (a) National Labor Relations Board? Yes No
- (b) Equal Employment Opportunity Commission? Yes No
- (c) Office of Federal Contract Compliance Programs? Yes No
- (d) U.S. Department of Labor? Yes No
- (e) Any state or local government agency such as the Labor Department or fair employment agency? Yes No
- (f) U.S. District or state court? Yes No

9. During the last 5 years, has any current or former **Employee** or third party made any **Claim**, or otherwise alleged discrimination, harassment, wrongful discharge and/or **Wrongful Acts** against any **Insured**? Yes No

A **Claim** is not limited to the filing of a lawsuit or complaint with the Equal Employment Opportunity Commission or similar state or local agency. A **Claim** may also include a written demand by any current or former **Employee** seeking relief in connection with an employment-related dispute or grievance.

IF "YES" TO ANY PART OF QUESTIONS 8. OR 9., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:

- | | | | |
|----------------------------------|--|---------------------|--------------------|
| (a) Date Claim first made | (b) Claimant's Name | (c) Allegation | (d) Current Status |
| (e) Demand Amount | (f) Settlement (Indemnity) or Reserve Amount | (g) Attorney's fees | |

IT IS UNDERSTOOD AND AGREED THAT THE INSURER SHALL NOT BE LIABLE TO MAKE ANY PAYMENT FOR LOSS IN CONNECTION WITH ANY CLAIM MADE AGAINST ANY INSURED BASED UPON, ARISING OUT OF, DIRECTLY OR INDIRECTLY RESULTING FROM OR IN CONSEQUENCE OF, OR IN ANY WAY INVOLVING ANY LAWSUIT, ADMINISTRATIVE PROCEEDING, WRITTEN DEMAND, FACT, CIRCUMSTANCE, OR SITUATION SET FORTH OR THAT SHOULD HAVE BEEN SET FORTH IN THE INSURED'S RESPONSE TO QUESTIONS 8. OR 9.

Carolina Casualty Insurance Company

Fiduciary Liability Insurance Coverage Section Information

1. Provide the following information regarding each employee welfare benefit plan, employee pension benefit plan or pension plan, as defined by ERISA, (hereinafter referred to as **Employee Benefit Plan(s)**) which the **Insured Entity** maintains or to which it contributes.

<u>Name of Plan</u>	<u>Type of Plan*</u>	<u>Name of Plan Sponsor</u>	<u>Number of Plan Participants</u>	<u>Fair Market Value of Plan Assets</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

*Type of Plan: (DB)=Defined Benefit; (DC)=Defined Contribution; (ESOP)=Employee Stock Ownership Plan; (WB)=Health & Welfare Benefit; (MEP)=Multi Employer Plan or Multiple Employer Plan; (O)=Other

IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR EMPLOYEE BENEFIT PLAN(S) IN QUESTION 1. FOR WHICH THE ABOVE INFORMATION IS INCOMPLETE OR NOT PROVIDED.

2. Has any employee pension benefit plan or pension plan invested in securities of the **Insured Entity**? If "Yes", provide the following details by attachment: number of shares; cost of shares to the plan; fair market value of shares. Yes No
3. Has any employee pension benefit plan or pension plan invested in more than 10 percent of any entity (other than the **Insured Entity** or a pooled investment vehicle such as a mutual fund)? If "Yes", provide name of entity and amount of investment. Yes No
4. Has any **Employee Benefit Plan** loaned or pledged any **Employee Benefit Plan** assets to any party-in-interest (including the **Insured Entity**)? If "Yes", provide details by attachment. Yes No
5. Are any defined benefit plans under funded by more than 20 percent? If "Yes", provide details by attachment. Yes No
6. Are there any overdue employer contributions for any plan, or has any plan requested or contemplated filing a request for a waiver of contributions? If "Yes", provide plan name and amount of overdue contributions by attachment. Yes No
7. Within the last 3 years, has there been, or is there currently under consideration, any restructuring, spin-off, transfer, consolidation, merger, termination or other similar transaction of any **Employee Benefit Plan**? If "Yes", provide the following details of the transaction by attachment: whether assets have been fully distributed; date or expected date of any transfer of employees or **Employee Benefit Plans**; copies of any materials relating to the transaction that were distributed to employees or filed with government agencies. Yes No
8. If any of the following questions are answered "No", provide details by attachment.
 - (a) Are all **Employee Benefit Plans** compliant with the Health Insurance Portability and Accountability Act ("HIPAA")? Yes No
 - (b) Does the plan sponsor comply with the summary plan description requirements under ERISA for all **Employee Benefit Plans**? Yes No
 - (c) Do all employee pension benefit plans or pension plans have a written investment policy? Yes No
 - (d) Are all employee pension benefit plan or pension plan assets managed by a third party investment manager? Yes No
 - (e) Do the fiduciaries review the investment guidelines used by the investment managers at least annually? Yes No
 - (f) Is the "fair market value" of all employee pension benefit plan or pension plan assets calculated at least annually? Yes No
9. During the last 5 years, has there been, or is there currently, any investigation by the IRS, Department of Labor ("DOL"), Pension Benefit Guarantee Corporation ("PBGC"), or any other state or federal agency of any **Employee Benefit Plan** or any current or former fiduciary of such **Employee Benefit Plan**? If "Yes", provide details by attachment. Yes No
10. During the last 5 years, has any **Insured** been named as a party in any civil or criminal action, administrative, arbitration, regulatory or investigative proceeding, or received any other written demands for money or services that would be within the scope of this proposed insurance? Yes No

IF "YES" TO QUESTION 10., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:

- | | | | |
|---------------------------|--|---------------------|--------------------|
| (a) Date Claim first made | (b) Claimant's Name | (c) Allegation | (d) Current Status |
| (e) Demand Amount | (f) Settlement (Indemnity) or Reserve Amount | (g) Attorney's fees | |

IT IS UNDERSTOOD AND AGREED THAT THE INSURER SHALL NOT BE LIABLE TO MAKE ANY PAYMENT FOR LOSS IN CONNECTION WITH ANY CLAIM MADE AGAINST ANY INSURED BASED UPON, ARISING OUT OF, DIRECTLY OR INDIRECTLY RESULTING FROM OR IN CONSEQUENCE OF, OR IN ANY WAY INVOLVING ANY LAWSUIT, ADMINISTRATIVE PROCEEDING, WRITTEN DEMAND, FACT, CIRCUMSTANCE, OR SITUATION SET FORTH OR THAT SHOULD HAVE BEEN SET FORTH IN THE INSURED'S RESPONSE TO QUESTION 10.

Carolina Casualty Insurance Company

Prior Knowledge Information

1. Is any Insured aware of any fact, circumstance or situation involving any Insureds that might reasonably be expected to result in a Claim as defined in each Coverage Section applied for? Yes No

IF "YES" TO QUESTION 1., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:

- | | | | |
|---------------------------|--|----------------|---------------------|
| (a) Date Claim first made | (b) Claimant's Name | (c) Allegation | (d) Current Status |
| (e) Demand Amount | (f) Settlement (Indemnity) or Reserve Amount | | (g) Attorney's fees |

IT IS UNDERSTOOD AND AGREED THAT THE INSURER SHALL NOT BE LIABLE TO MAKE ANY PAYMENT FOR LOSS IN CONNECTION WITH ANY CLAIM MADE AGAINST ANY INSURED BASED UPON, ARISING OUT OF, DIRECTLY OR INDIRECTLY RESULTING FROM OR IN CONSEQUENCE OF, OR IN ANY WAY INVOLVING ANY LAWSUIT, ADMINISTRATIVE PROCEEDING, WRITTEN DEMAND, FACT, CIRCUMSTANCE, OR SITUATION SET FORTH OR THAT SHOULD HAVE BEEN SET FORTH IN THE INSURED'S RESPONSE TO QUESTION 1.

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 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.

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 NEW MEXICO, 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.

NOTICE TO APPLICANTS OF KENTUCKY: 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.

NOTICE TO APPLICANTS OF MINNESOTA, NEW JERSEY, OHIO, AND OKLAHOMA: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO DISTRICT OF COLUMBIA, MAINE, MASSACHUSETTS, TENNESSEE, VIRGINIA, AND 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.

NOTICE TO APPLICANTS OF 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.

Carolina Casualty Insurance Company

Please Read Carefully

The undersigned, acting on behalf of all **Insureds**, declare that the statements set forth herein are true and correct and that thorough efforts have been made to obtain sufficient information from each and every **Insured** proposed for this insurance to facilitate the proper and accurate completion of this Proposal Form.

The undersigned agree that the particulars and statements contained in the Proposal Form and any material submitted herewith are their representations and are the basis of the insurance contract. The undersigned further agree that the Proposal Form and any material submitted herewith shall be considered attached to and a part of the **Policy**. Any material submitted with the Proposal Form shall be maintained on file (either electronically or paper) with the **Insurer** and shall be deemed to be attached hereto as if physically attached.

It is further agreed that:

- if any significant change in the condition of the applicant is discovered between the date of this Proposal Form and the **Policy** inception date, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the **Insurer** immediately;
- any **Policy**, if issued, will be in reliance upon the truth of such representations; provided, however, with respect to such statements and representations, no knowledge or information possessed by any **Insureds** shall be imputed to any other **Insureds**. If any person or persons knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons. However, if the Chairperson of the Board of Directors, President, Chief Executive Officer, or Chief Financial Officer of the **Insured Entity** knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons and the **Insured Entity**;
- this Proposal Form has been completed as respects the entire **Insured Entity**;
- the signing of this Proposal Form does not bind the undersigned to purchase the insurance.

Dated

President, Chief Executive Officer, Chief Financial Officer, or equivalent position (Signature)

Title

President, Chief Executive Officer, Chief Financial Officer, or equivalent position (Print Name)

Dated

Human Resources Manager, or equivalent position (Signature)

This Carolina Casualty Insurance Company Proposal Form, including any material submitted herewith, shall be held in strictest confidence.

A POLICY CANNOT BE ISSUED UNLESS THE PROPOSAL FORM IS PROPERLY SIGNED AND DATED.

Please submit this Proposal Form including appropriate documentation to:

Monitor Liability Managers, Inc., 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039

Carolina Casualty Insurance Company

4600 Touchton Road East, Building 100, Suite 400, Jacksonville, FL 32246

Small Business Proposal Form

Management Liability Insurance

CLAIMS MADE WARNING FOR APPLICATION

THIS PROPOSAL FORM IS FOR A CLAIMS MADE AND REPORTED POLICY, RELATING TO CLAIMS MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE.

Whenever printed in this Proposal Form, the terms in boldface type shall have the same meanings as indicated in the Policy. This Proposal Form is to be completed with respect to the entire Insured Entity. Insured Entity as used herein is defined to include the Named Insured and any Subsidiaries.

Name of **Named Insured**

Street Address

Suite

City

County

State

Zip Code

Website Address (if applicable)

Federal Employer Identification Number (FEIN)

The Officer designated as agent of the **Insured Entity** and of all **Insureds** to receive any and all notices from the **Insurer** or their authorized representatives concerning this insurance:

Contact Name

Title

E-mail Address

Telephone Number

Fax Number

Producer Information

Submitted by (Agency Name)

Dated

Agent's Name (Individual's Name)

Agent's License Number

Coverage Section(s) Requested

(Complete only those sections of this Proposal Form specific to the **Coverage Section(s)** requested.)

Directors, Officers and Corporate Liability Insurance Coverage Section:

Yes No

Employment Practices Liability Insurance Coverage Section:

Yes No

Fiduciary Liability Insurance Coverage Section:

Yes No

Current Insurance Information (Provide details to all "Yes" answers by attachment)

1. Provide the following information regarding the **Insured Entity's** most recent insurance policies. If "None", so state.

Type of Policy	Insurance Carrier	Expiration Date	Limit of Liability	Deductible	Premium
Directors and Officers Liability: <input type="checkbox"/> None			\$	\$	\$
Employment Practices Liability: <input type="checkbox"/> None			\$	\$	\$
Fiduciary Liability: <input type="checkbox"/> None			\$	\$	\$

Documents Required (The following information must be submitted with the completed Proposal Form).

Directors, Officers and Corporate Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment
- Most recent interim and annual financial statements (audited, if available)

Employment Practices Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment

Fiduciary Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment

General Information (Provide details to all "Yes" answers by attachment)

1. The **Named Insured** has been in continuous operation since: _____

2. (a) What is the **Insured Entity's** Primary Standard Industrial Classification ("SIC") Code? _____

(b) Describe the **Insured Entity's** nature of operations: _____

3. (a) Form of organization:
- | | | |
|--|---------------------------------------|--|
| <input type="checkbox"/> Cooperative | <input type="checkbox"/> Corporation | <input type="checkbox"/> Joint Venture |
| <input type="checkbox"/> Limited Liability Corporation | <input type="checkbox"/> Nonprofit | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Other: _____ | |

Carolina Casualty Insurance Company

- (b) Type of organization: Manufacturing / Production Public Administration Retail Trade
 Service Industry Web Based Wholesale Distributing
4. Is the **Named Insured** or any **Subsidiary** publicly held or a public reporting company under the Securities Exchange Act of 1934? Yes No
5. Provide the following financial information with respect to the **Insured Entity**:
 Assets (000): \$ _____ Annual Revenues (000): \$ _____ Total Number of **Employees**: _____
 Equity (000): \$ _____ Operating Income / Loss (000): \$ _____ Period Ending: _____ / _____ / _____
6. (a) Is the **Insured Entity** currently in bankruptcy? Yes No
 (b) Within the next 12 months, is the **Insured Entity** contemplating filing a petition for protection under the bankruptcy code? Yes No
7. Within the last 12 months, has there been any change (resignations, departures, retirements, etc.) in the position of the Chairman of the Board, President, Chief Executive Officer or Chief Financial Officer? Yes No

Directors, Officers and Corporate Liability Insurance Coverage Section Information

1. (a) Indicate the percentage of shares or units owned directly and/or beneficially by the **Insured Persons**:
 100 percent 75 to 99 percent 50 to 74 percent Less than 50 percent
- (b) Are all security holder(s) who own, or have the right to own, directly and/or beneficially, 25 percent or more of the **Insured Entity's** outstanding shares or units represented on the **Insured Entity's** Board of Directors or Board of Managers or are they Officers of the **Insured Entity**? If "No", provide name of security holder(s) and percent owned. Yes No
- (c) Does any entity own, or have the right to own, directly and/or beneficially, more than 50 percent of the **Insured Entity's** outstanding shares or units? If "Yes", provide name of entity and percent owned. Yes No
 Name of entity: _____ Percent owned: _____ %
2. Within the last 18 months, has the **Insured Entity** been involved in, or is it presently considering, any sale of its stock (in excess of 10 percent of the total stock outstanding), repurchase of its stock, merger, consolidation, acquisition, tender offer, private placement, or divestment? If "Yes", provide the following details below: Description of referenced transaction; date or anticipated date of transaction; and any other appropriate details. Yes No
3. Is the **Insured Entity** engaged in any of the following activities? If "None", so state. None
 Captive Insurance Company operations Insurance Company operations
 Franchising Activities that fall under The Investment Company Act of 1940
 General Partnership operations Joint Venture(s)

Employment Practices Liability Insurance Coverage Section Information

1. Number of **Employees**:
 Current Year:

Full Time	Part Time	Leased	Seasonal and/or Temporary	Volunteers and/or Interns	Independent Contractors	Annual Turnover Rate
2. Indicate which formal written policies and procedures have been implemented and attach a copy of each. If "None", so state. None
 Employee Handbook / Manual Anti-Harassment Policy, including Employers with more than 50 Employees
 Anti-Discrimination Policy – Sexual Harassment Family Medical Leave Act
 Equal Employment Opportunity (EEO) Policy Adherence to Employment "at-will" relationship with all **Employees** California Employers Only
 California Family Rights Act

Fiduciary Liability Insurance Coverage Section Information

1. Provide the following information regarding each employee welfare benefit plan, employee pension benefit plan or pension plan, as defined by ERISA, (hereinafter referred to as **Employee Benefit Plan(s)**) which the **Insured Entity** maintains or to which it contributes.
- | Name of Plan | Type of Plan* | Name of Plan Sponsor | Number of Plan Participants | Fair Market Value of Plan Assets |
|--------------|---------------|----------------------|-----------------------------|----------------------------------|
| | | | | |

*Type of Plan: (DB)=Defined Benefit; (DC)=Defined Contribution; (ESOP)=Employee Stock Ownership Plan; (WB)=Health & Welfare Benefit; (MEP)=Multi Employer Plan or Multiple Employer Plan; (O)=Other

IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR EMPLOYEE BENEFIT PLAN(S) IN QUESTION

1. FOR WHICH THE ABOVE INFORMATION IS INCOMPLETE OR NOT PROVIDED.

2. Has any employee pension benefit plan or pension plan invested in securities of the **Insured Entity**? If "Yes", provide the following details by attachment: number of shares; cost of shares to the plan; fair market value of shares. Yes No
3. Has any **Employee Benefit Plan** loaned or pledged any **Employee Benefit Plan** assets to any party-in-interest (including the **Insured Entity**)? If "Yes", provide details by attachment. Yes No
4. Are there any overdue employer contributions for any plan, or has any plan requested or contemplated filing a request for a waiver of contributions? If "Yes", provide plan name and amount of overdue contributions by attachment. Yes No
5. Within the last 3 years, has there been, or is there currently under consideration, any restructuring, spin-off, transfer, consolidation, merger, termination or other similar transaction of any **Employee Benefit Plan**? Yes No
 If "Yes", provide the following details of the transaction by attachment: whether assets have been fully distributed; date or

Carolina Casualty Insurance Company

expected date of any transfer of employees or **Employee Benefit Plans**; copies of any materials relating to the transaction that were distributed to employees or filed with government agencies.

6. If any of the following questions are answered "No", provide details by attachment.
- (a) Are all **Employee Benefit Plans** compliant with the Health Insurance Portability and Accountability Act ("HIPAA")? Yes No
 - (b) Does the plan sponsor comply with the summary plan description requirements under **ERISA** for all **Employee Benefit Plans**? Yes No
 - (c) Do all employee pension benefit plans or pension plans have a written investment policy? Yes No
 - (d) Are all employee pension benefit plan or pension plan assets managed by a third party investment manager? Yes No
 - (e) Do the fiduciaries review the investment guidelines used by the investment managers at least annually? Yes No
 - (f) Is the "fair market value" of all employee pension benefit plan or pension plan assets calculated at least annually? Yes No
7. During the last 5 years, has there been, or is there currently, any investigation by the IRS, Department of Labor ("DOL"), Pension Benefit Guarantee Corporation ("PBGC"), or any other state or federal agency of any **Employee Benefit Plan** or any current or former fiduciary of such **Employee Benefit Plan**? If "Yes", provide details by attachment. Yes No

Litigation and Claim Information (Provide details to all "Yes" answers by attachment)

Directors, Officers and Corporate Liability Insurance Coverage Section only:

1. During the last 5 years, has the **Insured Entity** or any of the **Insured Persons** received any written demands for monetary or non-monetary relief, been involved in, or had any knowledge of any civil or criminal action, administrative or arbitration proceeding, including both domestic or foreign equivalents, involving:
- (a) any intellectual property disputes, including Copyright, Patent, or Trademark Laws? Yes No
 - (b) any alleged violation of any Federal or State Security Law or Regulation? Yes No
 - (c) any alleged violation of any Federal or State Anti-Trust or Fair Trade Law? Yes No
 - (d) any other allegations of violations of federal, state or local statute, regulation, ordinance or common law that would otherwise be within the scope of this proposed insurance? Yes No

Employment Practices Liability Insurance Coverage Section only:

2. During the last 5 years, has any **Insured** known of, or been involved in any lawsuit, charges, inquiries, investigations, grievances or other administrative hearings or proceedings before any of the following agencies and/or in any of the following forums, including both domestic or foreign equivalents?
- (a) National Labor Relations Board? Yes No
 - (b) Equal Employment Opportunity Commission? Yes No
 - (c) Office of Federal Contract Compliance Programs? Yes No
 - (d) U.S. Department of Labor? Yes No
 - (e) Any state or local government agency such as the Labor Department or fair employment agency? Yes No
 - (f) U.S. District or state court? Yes No
3. During the last 5 years, has any current or former **Employee** or third party made any **Claim**, or otherwise alleged discrimination, harassment, wrongful discharge and/or **Wrongful Acts** against any **Insured**? Yes No
- A **Claim** is not limited to the filing of a lawsuit or complaint with the Equal Employment Opportunity Commission or similar state or local agency. A **Claim** may also include a written demand by any current or former **Employee** seeking relief in connection with an employment-related dispute or grievance.

Fiduciary Liability Insurance Coverage Section only:

4. During the last 5 years, has any **Insured** been named as a party in any civil or criminal action, administrative, arbitration, regulatory or investigative proceeding, or received any other written demands for money or services that would be within the scope of this proposed insurance? Yes No

Prior Knowledge Information

5. Is any **Insured** aware of any fact, circumstance or situation involving any **Insureds** that might reasonably be expected to result in a **Claim** as defined in each **Coverage Section** applied for? Yes No

IF "YES" TO ANY PART OF QUESTIONS 1., 2., 3., 4., OR 5., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION BY ATTACHMENT:

- | | | | |
|----------------------------------|--|---------------------|--------------------|
| (a) Date Claim first made | (b) Claimant's Name | (c) Allegation | (d) Current Status |
| (e) Demand Amount | (f) Settlement (Indemnity) or Reserve Amount | (g) Attorney's fees | |

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Carolina Casualty Insurance Company

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NOTICE TO APPLICANTS OF MINNESOTA, NEW JERSEY, OHIO, AND OKLAHOMA: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

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NOTICE TO APPLICANTS OF 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.

Please Read Carefully

The undersigned, acting on behalf of all **Insureds**, declare that the statements set forth herein are true and correct and that thorough efforts have been made to obtain sufficient information from each and every **Insured** proposed for this insurance to facilitate the proper and accurate completion of this Proposal Form.

The undersigned agree that the particulars and statements contained in the Proposal Form and any material submitted herewith are their representations and are the basis of the insurance contract. The undersigned further agree that the Proposal Form and any material submitted herewith shall be considered attached to and a part of the **Policy**. Any material submitted with the Proposal Form shall be maintained on file (either electronically or paper) with the **Insurer** and shall be deemed to be attached hereto as if physically attached.

It is further agreed that:

- if any significant change in the condition of the applicant is discovered between the date of this Proposal Form and the **Policy** inception date, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the **Insurer** immediately;
- any **Policy**, if issued, will be in reliance upon the truth of such representations; provided, however, with respect to such statements and representations, no knowledge or information possessed by any **Insureds** shall be imputed to any other **Insureds**. If any person or persons knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons. However, if the Chairperson of the Board of Directors, President, Chief Executive Officer, or Chief Financial Officer of the **Insured Entity** knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons and the **Insured Entity**;
- this Proposal Form has been completed as respects the entire **Insured Entity**;
- the signing of this Proposal Form does not bind the undersigned to purchase the insurance.

_____	_____
Dated	President, Chief Executive Officer, Chief Financial Officer, or equivalent position (Signature)
_____	_____
Title	President, Chief Executive Officer, Chief Financial Officer, or equivalent position (Print Name)
_____	_____
Dated	Human Resources Manager, or equivalent position (Signature)

This Carolina Casualty Insurance Company Proposal Form, including any material submitted herewith, shall be held in strictest confidence.

A POLICY CANNOT BE ISSUED UNLESS THE PROPOSAL FORM IS PROPERLY SIGNED AND DATED.

Please submit this Proposal Form including appropriate documentation to:

Monitor Liability Managers, Inc., 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039

Carolina Casualty Insurance Company

4600 Touchton Road East, Building 100, Suite 400, Jacksonville, FL 32246

Renewal Proposal Form

Management Liability Insurance

CLAIMS MADE WARNING FOR APPLICATION

THIS PROPOSAL FORM IS FOR A CLAIMS MADE AND REPORTED POLICY, RELATING TO CLAIMS MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE.

Whenever printed in this Proposal Form, the terms in boldface type shall have the same meanings as indicated in the Policy. This Proposal Form is to be completed with respect to the entire Insured Entity. Insured Entity as used herein is defined to include the Named Insured and any Subsidiaries.

Name of **Named Insured**

Street Address

Suite

City

County

State

Zip Code

Website Address (if applicable)

Federal Employer Identification Number (FEIN)

The Officer designated as agent of the **Insured Entity** and of all **Insureds** to receive any and all notices from the **Insurer** or their authorized representatives concerning this insurance:

Contact Name

Title

E-mail Address

Telephone Number

Fax Number

Producer Information

Submitted by (Agency Name)

Dated

Agent's Name (Individual's Name)

Agent's License Number

Coverage Section(s) Requested

(Complete only those sections of this Proposal Form specific to the **Coverage Section(s)** requested.)

Directors, Officers and Corporate Liability Insurance Coverage Section: Yes No Limit Requested: \$ _____

Employment Practices Liability Insurance Coverage Section: Yes No Limit Requested: \$ _____

Fiduciary Liability Insurance Coverage Section: Yes No Limit Requested: \$ _____

Indicate the type of limit requested: Combined Aggregate Limit of Liability for all Coverage Sections, or
 Separate Aggregate Limit of Liability for each Coverage Section

Current Insurance Information (Provide details to all "Yes" answers by attachment)

1. Provide the following information regarding the **Insured Entity's** most recent insurance policies. If "None", so state.

Type of Policy	Insurance Carrier	Expiration Date	Limit of Liability	Deductible	Premium
Directors and Officers Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____
Employment Practices Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____
Fiduciary Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____
General Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____
Other: _____ <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____

2. Has the Extended Reporting Period (or Discovery Period) been exercised for the **Insured Entity's** most recent Directors and Officers Liability, Employment Practices Liability, or Fiduciary Liability insurance policies? Yes No

3. Within the last 3 years, has any **Claim** been made or has notice been given under any of the previous policies for Directors and Officers Liability, Employment Practices Liability or Fiduciary Liability insurance or similar insurance? Yes No

4. Within the last 3 years, has any Directors and Officers Liability, Employment Practices Liability, Fiduciary Liability insurance, or similar insurance policies for the **Insured Entity** ever been cancelled or non-renewed? Yes No
NOT APPLICABLE IN MISSOURI

Carolina Casualty Insurance Company

General Information (Provide details to all "Yes" answers by attachment)

1. The **Named Insured** has been in continuous operation since: _____
2. (a) What is the **Insured Entity's** Primary Standard Industrial Classification ("SIC") Code? _____
 (b) Describe the **Insured Entity's** nature of operations: _____
3. (a) Form of organization:

<input type="checkbox"/> Cooperative	<input type="checkbox"/> Corporation	<input type="checkbox"/> Joint Venture*
<input type="checkbox"/> Limited Liability Corporation	<input type="checkbox"/> Nonprofit	<input type="checkbox"/> Partnership*
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other: _____	

 *If a Partnership or Joint Venture, provide participation or ownership structure details by attachment.
 (b) Type of organization:

<input type="checkbox"/> Manufacturing / Production	<input type="checkbox"/> Public Administration	<input type="checkbox"/> Retail Trade
<input type="checkbox"/> Service Industry	<input type="checkbox"/> Web Based	<input type="checkbox"/> Wholesale Distributing
4. Is the **Named Insured** or any **Subsidiary** publicly held or a public reporting company under the Securities Exchange Act of 1934? Yes No
5. Provide the following financial information with respect to the **Insured Entity**:
 Assets (000): \$ _____ Annual Revenues (000): \$ _____ Total Number of **Employees**: _____
 Equity (000): \$ _____ Operating Income / Loss (000): \$ _____ Period Ending: _____ / _____ / _____
6. What percentage of the **Insured Entity's** annual revenue is generated or expected to be generated directly from the Internet over the next 18 months? _____ %
7. (a) Is the **Insured Entity** currently in bankruptcy? Yes No
 (b) Within the next 12 months, is the **Insured Entity** contemplating filing a petition for protection under the bankruptcy code? Yes No
8. (a) Within the last 12 months, has the **Insured Entity** had any **Subsidiary**, plant, facility, branch or office closings, consolidations or layoffs? Yes No
 (b) Within the next 24 months, does the **Insured Entity** anticipate any **Subsidiary**, plant, facility, branch or office closings, consolidations or layoffs? Yes No
 If "Yes", provide the following details by attachment: Date of event; number of **Employees** affected; whether outside employment counsel was consulted; and, whether severance packages were offered to all **Employees** affected.
9. Within the last 3 years, has there been any change (resignations, departures, retirements, etc.) in the position of the Chairman of the Board, President, Chief Executive Officer or Chief Financial Officer? Yes No
 If "Yes", provide the following details by attachment: Name of individual; date of change; and reason for change.
10. Provide the following information on all **Subsidiaries** of the **Insured Entity**. If "None", so state. None

<u>Subsidiary Name</u>	<u>Nature of Business</u>	<u>Percent* Owned by the Insured Entity</u>	<u>Date Created or Acquired</u>	<u>Domestic / Foreign</u>

*If **Subsidiary** is less than 100 percent owned, Provide details to all minority owners, when applicable, by attachment.

IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR SUBSIDIARIES IN QUESTION 10. UNLESS THE INFORMATION REQUESTED ABOVE IS PROVIDED.

Documents Required (The following information must be submitted with the completed Proposal Form).

Directors, Officers and Corporate Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment
- Most recent interim and annual financial statements (audited, if available)

Employment Practices Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment

Fiduciary Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment
- A copy of the most recent public accountant's audit report or IRS Form 5500 for each **Employee Benefit Plan**

Carolina Casualty Insurance Company

Directors, Officers and Corporate Liability Insurance Coverage Section Information

1. Provide the following information regarding the **Insured Entity's** outstanding ownership:
- | | | |
|---|--|------------------------|
| | <u>Common Stock /</u> | <u>Preferred Stock</u> |
| | <u>Membership Units</u> | <u>Preferred Stock</u> |
| (a) Total number of shares or units outstanding: | _____ | _____ |
| (b) Total number of security holders: | _____ | _____ |
| (c) Number of shares or units owned directly and/or beneficially by the Insured Persons : | _____ | _____ |
| (d) Does any security holder own, or have the right to own, directly and/or beneficially 10 percent or more of the Insured Entity's outstanding shares or units? | <input type="checkbox"/> Yes <input type="checkbox"/> No | |

If "Yes", provide the following information:

<u>Name of Security Holder</u> <small>(including individual and corporate names)</small>	<u>Percent Owned by</u> <u>Security Holder</u>	<u>Represented on the Insured Entity's Board of</u> <u>Directors or Board of Managers?</u>
_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No

2. Within the last 18 months, has the **Insured Entity** been involved in, or is it presently considering any sale of its stock (in excess of 10 percent of the total stock outstanding), repurchase of its stock, merger, consolidation, acquisition, tender offer, private placement, or divestment? If "Yes", complete (a), (b) and (c) below: Yes No

- (a) Is this with respect to a Registration Statement for a public offering of securities within the next 12 months? Yes No
 If "Yes", attach the prospectus including all amendments thereto, or describe below if prospectus is unavailable.

- (b) Is this with respect to funds being generated by venture capital or private placement funding? Yes No
 If "Yes", describe: _____

- (c) If "No", for (a) and (b) above, provide the following details below: Description of referenced transaction; date or anticipated date of transaction; and any other appropriate details.

3. Is the **Insured Entity** engaged in any of the following activities? If "None", so state.
- | | | |
|---|--|-------------------------------|
| <input type="checkbox"/> Captive Insurance Company operations | <input type="checkbox"/> Insurance Company operations | <input type="checkbox"/> None |
| <input type="checkbox"/> Franchising | <input type="checkbox"/> Activities that fall under The Investment Company Act of 1940 | |
| <input type="checkbox"/> General Partnership operations | <input type="checkbox"/> Joint Venture(s) | |

4. During the last 5 years, has the **Insured Entity** or any of the **Insured Persons** received any written demands for monetary or non-monetary relief, been involved in, or had any knowledge of any civil or criminal action, administrative or arbitration proceeding, including both domestic or foreign equivalents, involving:
- | | |
|--|--|
| (a) any intellectual property disputes, including Copyright, Patent, or Trademark Laws? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (b) any alleged violation of any Federal or State Security Law or Regulation? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (c) any alleged violation of any Federal or State Anti-Trust or Fair Trade Law? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (d) any other allegations of violations of federal, state or local statute, regulation, ordinance or common law that would otherwise be within the scope of this proposed insurance? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

IF "YES" TO ANY PART OF QUESTION 4. PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:

- | | | | |
|---------------------------|--|----------------|---------------------|
| (a) Date Claim first made | (b) Claimant's Name | (c) Allegation | (d) Current Status |
| (e) Demand Amount | (f) Settlement (Indemnity) or Reserve Amount | | (g) Attorney's fees |

Carolina Casualty Insurance Company

Employment Practices Liability Insurance Coverage Section Information

1.	Number of Employees:	<u>Full Time</u>	<u>Part Time</u>	<u>Leased</u>	<u>Seasonal and/or Temporary</u>	<u>Volunteers and/or Interns</u>	<u>Independent Contractors</u>	<u>Annual Turnover Rate</u>
	Current Year:							
	Last Year:							

2. What percentage of the **Insured Entity's Employees** work with the general public, work at customer locations or perform a majority of their functions off-site? _____ %

3. What percentage of the **Insured Entity's Employees** currently earns more than \$100,000? _____ %

4. Provide the top three locations by employee count of all plants, facilities, branches or offices of the **Insured Entity**. If "None", so state.

	<u>Location</u>	<u>Nature of Business</u>	<u>Number of Employees</u>	<input type="checkbox"/> None <u>Domestic / Foreign</u>
1.	_____	_____	_____	_____
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____

5. Does the **Insured Entity** currently employ a full time Human Resources professional? Yes No

6. Does the **Insured Entity** (details to "Yes" or "No" answers are not required by attachment):

(a) Utilize employment applications for all prospective **Employees**? Yes No

(b) Require the Human Resource Department to review and approve each proposed **Employee** termination? Yes No

(c) Have outside employment counsel review each proposed **Employee** termination? Yes No

(d) Maintain a written policy prohibiting Sexual Harassment and distribute that policy to all **Employees**? Yes No

(e) Conduct mandatory periodic **Employee** education regarding prohibited forms of harassment? Yes No

(f) Periodically have its employment policies and procedures reviewed by outside employment counsel? Yes No

(g) Periodically have its employment policies and procedures distributed to all **Employees**? Yes No

(h) Have a written procedure for notification and handling of employment related grievances, disputes, notifications, or claims? Yes No

7. Indicate which formal written policies and procedures have been implemented and attach a copy of each. If "None", so state. None

Employee Handbook / Manual Anti-Harassment Policy, including Employers with more than 50 Employees

Anti-Discrimination Policy – Sexual Harassment Family Medical Leave Act

Equal Employment Opportunity (EEO) Policy Adherence to Employment "at-will" relationship with all **Employees** California Employers Only

California Family Rights Act

8. During the last 5 years, has any **Insured** known of, or been involved in any lawsuit, charges, inquiries, investigations, grievances or other administrative hearings or proceedings before any of the following agencies and/or in any of the following forums, including both domestic or foreign equivalents?

(a) National Labor Relations Board? Yes No

(b) Equal Employment Opportunity Commission? Yes No

(c) Office of Federal Contract Compliance Programs? Yes No

(d) U.S. Department of Labor? Yes No

(e) Any state or local government agency such as the Labor Department or fair employment agency? Yes No

(f) U.S. District or state court? Yes No

9. During the last 5 years, has any current or former **Employee** or third party made any **Claim**, or otherwise alleged discrimination, harassment, wrongful discharge and/or **Wrongful Acts** against any **Insured**? Yes No

A **Claim** is not limited to the filing of a lawsuit or complaint with the Equal Employment Opportunity Commission or similar state or local agency. A **Claim** may also include a written demand by any current or former **Employee** seeking relief in connection with an employment-related dispute or grievance.

IF "YES" TO ANY PART OF QUESTIONS 8. OR 9. PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:

(a) Date Claim first made	(b) Claimant's Name	(c) Allegation	(d) Current Status
(e) Demand Amount	(f) Settlement (Indemnity) or Reserve Amount		(g) Attorney's fees

Carolina Casualty Insurance Company

Fiduciary Liability Insurance Coverage Section Information

1. Provide the following information regarding each employee welfare benefit plan, employee pension benefit plan or pension plan, as defined by ERISA, (hereinafter referred to as **Employee Benefit Plan(s)**) which the **Insured Entity** maintains or to which it contributes.

<u>Name of Plan</u>	<u>Type of Plan*</u>	<u>Name of Plan Sponsor</u>	<u>Number of Plan Participants</u>	<u>Fair Market Value of Plan Assets</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

*Type of Plan: (DB)=Defined Benefit; (DC)=Defined Contribution; (ESOP)=Employee Stock Ownership Plan; (WB)=Health & Welfare Benefit; (MEP)=Multi Employer Plan or Multiple Employer Plan; (O)=Other

IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR EMPLOYEE BENEFIT PLAN(S) IN QUESTION 1. FOR WHICH THE ABOVE INFORMATION IS INCOMPLETE OR NOT PROVIDED.

2. Has any employee pension benefit plan or pension plan invested in securities of the **Insured Entity**? If "Yes", provide the following details by attachment: number of shares; cost of shares to the plan; fair market value of shares. Yes No
3. Has any employee pension benefit plan or pension plan invested in more than 10 percent of any entity (other than the **Insured Entity** or a pooled investment vehicle such as a mutual fund)? If "Yes", provide name of entity and amount of investment. Yes No
4. Has any **Employee Benefit Plan** loaned or pledged any **Employee Benefit Plan** assets to any party-in-interest (including the **Insured Entity**)? If "Yes", provide details by attachment. Yes No
5. Are any defined benefit plans under funded by more than 20 percent? If "Yes", provide details by attachment. Yes No
6. Are there any overdue employer contributions for any plan, or has any plan requested or contemplated filing a request for a waiver of contributions? If "Yes", provide plan name and amount of overdue contributions by attachment. Yes No
7. Within the last 3 years, has there been, or is there currently under consideration, any restructuring, spin-off, transfer, consolidation, merger, termination or other similar transaction of any **Employee Benefit Plan**? Yes No
If "Yes", provide the following details of the transaction by attachment: whether assets have been fully distributed; date or expected date of any transfer of employees or **Employee Benefit Plans**; copies of any materials relating to the transaction that were distributed to employees or filed with government agencies.
8. If any of the following questions are answered "No", provide details by attachment.
 - (a) Are all **Employee Benefit Plans** compliant with the Health Insurance Portability and Accountability Act ("HIPAA")? Yes No
 - (b) Does the plan sponsor comply with the summary plan description requirements under ERISA for all **Employee Benefit Plans**? Yes No
 - (c) Do all employee pension benefit plans or pension plans have a written investment policy? Yes No
 - (d) Are all employee pension benefit plan or pension plan assets managed by a third party investment manager? Yes No
 - (e) Do the fiduciaries review the investment guidelines used by the investment managers at least annually? Yes No
 - (f) Is the "fair market value" of all employee pension benefit plan or pension plan assets calculated at least annually? Yes No
9. During the last 5 years, has there been, or is there currently, any investigation by the IRS, Department of Labor ("DOL"), Pension Benefit Guarantee Corporation ("PBGC"), or any other state or federal agency of any **Employee Benefit Plan** or any current or former fiduciary of such **Employee Benefit Plan**? If "Yes", provide details by attachment. Yes No
10. During the last 5 years, has any **Insured** been named as a party in any civil or criminal action, administrative, arbitration, regulatory or investigative proceeding, or received any other written demands for money or services that would be within the scope of this proposed insurance? Yes No

IF "YES" TO QUESTION 10. PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:

- | | | | |
|----------------------------------|--|---------------------|--------------------|
| (a) Date Claim first made | (b) Claimant's Name | (c) Allegation | (d) Current Status |
| (e) Demand Amount | (f) Settlement (Indemnity) or Reserve Amount | (g) Attorney's fees | |

Carolina Casualty Insurance Company

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 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.

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 NEW MEXICO, 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.

NOTICE TO APPLICANTS OF KENTUCKY: 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.

NOTICE TO APPLICANTS OF MINNESOTA, NEW JERSEY, OHIO, AND OKLAHOMA: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO DISTRICT OF COLUMBIA, MAINE, MASSACHUSETTS, TENNESSEE, VIRGINIA, AND 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.

NOTICE TO APPLICANTS OF 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.

Please Read Carefully

The undersigned, acting on behalf of all **Insureds**, declare that the statements set forth herein are true and correct and that thorough efforts have been made to obtain sufficient information from each and every **Insured** proposed for this insurance to facilitate the proper and accurate completion of this Proposal Form.

The undersigned agree that the particulars and statements contained in the Proposal Form and any material submitted herewith are their representations and are the basis of the insurance contract. The undersigned further agree that the Proposal Form and any material submitted herewith shall be considered attached to and a part of the **Policy**. Any material submitted with the Proposal Form shall be maintained on file (either electronically or paper) with the **Insurer** and shall be deemed to be attached hereto as if physically attached.

It is further agreed that:

- if any significant change in the condition of the applicant is discovered between the date of this Proposal Form and the **Policy** inception date, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the **Insurer** immediately;
- the information contained in this Proposal Form shall not be used by the **Insureds** as notice, nor will the **Insurer** recognize and/or accept the information contained herein as notice, as provided for in section VII. of the Common Policy Terms and Conditions Section of this **Policy**;
- any **Policy**, if issued, will be in reliance upon the truth of such representations; provided, however, with respect to such statements and representations, no knowledge or information possessed by any **Insureds** shall be imputed to any other **Insureds**. If any person or persons knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons. However, if the Chairperson of the Board of Directors, President, Chief Executive Officer, or Chief Financial Officer of the **Insured Entity** knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons and the **Insured Entity**;
- this Proposal Form has been completed as respects the entire **Insured Entity**;
- the signing of this Proposal Form does not bind the undersigned to purchase the insurance.

Dated

President, Chief Executive Officer, Chief Financial Officer, or equivalent position (Signature)

Title

President, Chief Executive Officer, Chief Financial Officer, or equivalent position (Print Name)

Dated

Human Resources Manager, or equivalent position (Signature)

This Carolina Casualty Insurance Company Proposal Form, including any material submitted herewith, shall be held in strictest confidence.

A POLICY CANNOT BE ISSUED UNLESS THE PROPOSAL FORM IS PROPERLY SIGNED AND DATED.

Please submit this Proposal Form including appropriate documentation to:

Monitor Liability Managers, Inc., 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039

Carolina Casualty Insurance Company

4600 Touchton Road East, Building 100, Suite 400, Jacksonville, FL 32246

Renewal Proposal Form

Management Liability Insurance

CLAIMS MADE WARNING FOR APPLICATION

THIS PROPOSAL FORM IS FOR A CLAIMS MADE AND REPORTED POLICY, RELATING TO CLAIMS MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE.

Whenever printed in this Proposal Form, the terms in boldface type shall have the same meanings as indicated in the Policy. This Proposal Form is to be completed with respect to the entire Insured Entity. Insured Entity as used herein is defined to include the Named Insured and any Subsidiaries.

Name of **Named Insured**

Street Address

Suite

City

County

State

Zip Code

Website Address (if applicable)

Federal Employer Identification Number (FEIN)

The Officer designated as agent of the **Insured Entity** and of all **Insureds** to receive any and all notices from the **Insurer** or their authorized representatives concerning this insurance:

Contact Name

Title

E-mail Address

Telephone Number

Fax Number

Producer Information

Submitted by (Agency Name)

Dated

Agent's Name (Individual's Name)

Agent's License Number

Coverage Section(s) Requested

(Complete only those sections of this Proposal Form specific to the **Coverage Section(s)** requested.)

Directors, Officers and Corporate Liability Insurance Coverage Section: Yes No Limit Requested: \$

Employment Practices Liability Insurance Coverage Section: Yes No Limit Requested: \$

Indicate the type of limit requested: Combined Aggregate Limit of Liability for all Coverage Sections, or Separate Aggregate Limit of Liability for each Coverage Section

Current Insurance Information (Provide details to all "Yes" answers by attachment)

1. Provide the following information regarding the **Insured Entity's** most recent insurance policies. If "None", so state.

Type of Policy	Insurance Carrier	Expiration Date	Limit of Liability	Deductible	Premium
Directors and Officers Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____
Employment Practices Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____
Fiduciary Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____
General Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____
Other: _____ <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____

2. Has the Extended Reporting Period (or Discovery Period) been exercised for the **Insured Entity's** most recent Directors and Officers Liability or Employment Practices Liability insurance policies? Yes No

3. Within the last 3 years, has any **Claim** been made or has notice been given under any of the previous policies for Directors and Officers Liability or Employment Practices Liability insurance or similar insurance? Yes No

4. Within the last 3 years, has any Directors and Officers Liability or Employment Practices Liability insurance, or similar insurance policies for the **Insured Entity** ever been cancelled or non-renewed? Yes No
NOT APPLICABLE IN MISSOURI

Carolina Casualty Insurance Company

General Information (Provide details to all "Yes" answers by attachment)

1. The **Named Insured** has been in continuous operation since: _____
2. (a) What is the **Insured Entity's** Primary Standard Industrial Classification ("SIC") Code? _____
 (b) Describe the **Insured Entity's** nature of operations: _____
3. (a) Form of organization:

<input type="checkbox"/> Cooperative	<input type="checkbox"/> Corporation	<input type="checkbox"/> Joint Venture*
<input type="checkbox"/> Limited Liability Corporation	<input type="checkbox"/> Nonprofit	<input type="checkbox"/> Partnership*
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other: _____	

 *If a Partnership or Joint Venture, provide participation or ownership structure details by attachment.
 (b) Type of organization:

<input type="checkbox"/> Manufacturing / Production	<input type="checkbox"/> Public Administration	<input type="checkbox"/> Retail Trade
<input type="checkbox"/> Service Industry	<input type="checkbox"/> Web Based	<input type="checkbox"/> Wholesale Distributing
4. Is the **Named Insured** or any **Subsidiary** publicly held or a public reporting company under the Securities Exchange Act of 1934? Yes No
5. Provide the following financial information with respect to the **Insured Entity**:
 Assets (000): \$ _____ Annual Revenues (000): \$ _____ Total Number of **Employees**: _____
 Equity (000): \$ _____ Operating Income / Loss (000): \$ _____ Period Ending: _____ / _____ / _____
6. What percentage of the **Insured Entity's** annual revenue is generated or expected to be generated directly from the Internet over the next 18 months? _____ %
7. (a) Is the **Insured Entity** currently in bankruptcy? Yes No
 (b) Within the next 12 months, is the **Insured Entity** contemplating filing a petition for protection under the bankruptcy code? Yes No
8. (a) Within the last 12 months, has the **Insured Entity** had any **Subsidiary**, plant, facility, branch or office closings, consolidations or layoffs? Yes No
 (b) Within the next 24 months, does the **Insured Entity** anticipate any **Subsidiary**, plant, facility, branch or office closings, consolidations or layoffs? Yes No

If "Yes", provide the following details by attachment: Date of event; number of **Employees** affected; whether outside employment counsel was consulted; and, whether severance packages were offered to all **Employees** affected.

9. Within the last 3 years, has there been any change (resignations, departures, retirements, etc.) in the position of the Chairman of the Board, President, Chief Executive Officer or Chief Financial Officer? Yes No

If "Yes", provide the following details by attachment: Name of individual; date of change; and reason for change.

10. Provide the following information on all **Subsidiaries** of the **Insured Entity**. If "None", so state. None

<u>Subsidiary Name</u>	<u>Nature of Business</u>	<u>Percent* Owned by the Insured Entity</u>	<u>Date Created or Acquired</u>	<u>Domestic / Foreign</u>

*If **Subsidiary** is less than 100 percent owned, provide details to all minority owners, when applicable, by attachment.

IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR SUBSIDIARIES IN QUESTION 10. UNLESS THE INFORMATION REQUESTED ABOVE IS PROVIDED.

Documents Required (The following information must be submitted with the completed Proposal Form).

Directors, Officers and Corporate Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment
- Most recent interim and annual financial statements (audited, if available)

Employment Practices Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment

Carolina Casualty Insurance Company

Directors, Officers and Corporate Liability Insurance Coverage Section Information

1. Provide the following information regarding the **Insured Entity's** outstanding ownership:
- | | | |
|--|--|------------------------|
| | <u>Common Stock /</u> | <u>Preferred Stock</u> |
| | <u>Membership Units</u> | |
| (a) Total number of shares or units outstanding: | | |
| (b) Total number of security holders: | | |
| (c) Number of shares or units owned directly and/or beneficially by the Insured Persons : | | |
| (d) Does any security holder own, or have the right to own, directly and/or beneficially, 10 percent or more of the Insured Entity's outstanding shares or units? | <input type="checkbox"/> Yes <input type="checkbox"/> No | |

If "Yes", provide the following information:

<u>Name of Security Holder</u> <small>(including individual and corporate names)</small>	<u>Percent Owned by</u> <u>Security Holder</u>	<u>Represented on the Insured Entity's Board of</u> <u>Directors or Board of Managers?</u>
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No

2. Within the last 18 months, has the **Insured Entity** been involved in, or is it presently considering, any sale of its stock (in excess of 10 percent of the total stock outstanding), repurchase of its stock, merger, consolidation, acquisition, tender offer, private placement, or divestment? If "Yes", complete (a), (b) and (c) below: Yes No

- (a) Is this with respect to a Registration Statement for a public offering of securities within the next 12 months? Yes No
 If "Yes", attach the prospectus including all amendments thereto, or describe below if prospectus is unavailable.

- (b) Is this with respect to funds being generated by venture capital or private placement funding? Yes No
 If "Yes", describe: _____

- (c) If "No", for (a) and (b) above, provide the following details below: Description of referenced transaction; date or anticipated date of transaction; and any other appropriate details.

3. Is the **Insured Entity** engaged in any of the following activities? If "None", so state.
- | | | |
|---|--|-------------------------------|
| <input type="checkbox"/> Captive Insurance Company operations | <input type="checkbox"/> Insurance Company operations | <input type="checkbox"/> None |
| <input type="checkbox"/> Franchising | <input type="checkbox"/> Activities that fall under The Investment Company Act of 1940 | |
| <input type="checkbox"/> General Partnership operations | <input type="checkbox"/> Joint Venture(s) | |

4. During the last 5 years, has the **Insured Entity** or any of the **Insured Persons** received any written demands for monetary or non-monetary relief, been involved in, or had any knowledge of any civil or criminal action, administrative or arbitration proceeding, including both domestic or foreign equivalents, involving:
- | | |
|--|--|
| (a) any intellectual property disputes, including Copyright, Patent, or Trademark Laws? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (b) any alleged violation of any Federal or State Security Law or Regulation? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (c) any alleged violation of any Federal or State Anti-Trust or Fair Trade Law? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (d) any other allegations of violations of federal, state or local statute, regulation, ordinance or common law that would otherwise be within the scope of this proposed insurance? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

IF "YES" TO ANY PART OF QUESTION 4., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:

- | | | | |
|---------------------------|--|---------------------|--------------------|
| (a) Date Claim first made | (b) Claimant's Name | (c) Allegation | (d) Current Status |
| (e) Demand Amount | (f) Settlement (Indemnity) or Reserve Amount | (g) Attorney's fees | |

Carolina Casualty Insurance Company

Employment Practices Liability Insurance Coverage Section Information

1. Number of Employees:	Full Time	Part Time	Leased	Seasonal and/or Temporary	Volunteers and/or Interns	Independent Contractors	Annual Turnover Rate
Current Year:							
Last Year:							

2. What percentage of the **Insured Entity's Employees** work with the general public, work at customer locations or perform a majority of their functions off-site? _____ %

3. What percentage of the **Insured Entity's Employees** currently earns more than \$100,000? _____ %

4. Provide the top three locations by employee count of all plants, facilities, branches or offices of the **Insured Entity**. If "None", so state. None

Location	Nature of Business	Number of Employees	Domestic / Foreign
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

5. Does the **Insured Entity** currently employ a full time Human Resources professional? Yes No

6. Does the **Insured Entity** (details to "Yes" or "No" answers are not required by attachment):

- (a) Utilize employment applications for all prospective **Employees**? Yes No
- (b) Require the Human Resource Department to review and approve each proposed **Employee** termination? Yes No
- (c) Have outside employment counsel review each proposed **Employee** termination? Yes No
- (d) Maintain a written policy prohibiting Sexual Harassment and distribute that policy to all **Employees**? Yes No
- (e) Conduct mandatory periodic **Employee** education regarding prohibited forms of harassment? Yes No
- (f) Periodically have its employment policies and procedures reviewed by outside employment counsel? Yes No
- (g) Periodically have its employment policies and procedures distributed to all **Employees**? Yes No
- (h) Have a written procedure for notification and handling of employment related grievances, disputes, notifications, or claims? Yes No

7. Indicate which formal written policies and procedures have been implemented and attach a copy of each. If "None", so state. None

- Employee Handbook / Manual
- Anti-Discrimination Policy – Equal Employment Opportunity (EEO) Policy
- Anti-Harassment Policy, including Sexual Harassment
- Adherence to Employment "at-will" relationship with all **Employees**
- Employers with more than 50 Employees
- Family Medical Leave Act California Employers Only
- California Family Rights Act

8. During the last 5 years, has any **Insured** known of, or been involved in any lawsuit, charges, inquiries, investigations, grievances or other administrative hearings or proceedings before any of the following agencies and/or in any of the following forums, including both domestic or foreign equivalents?

- (a) National Labor Relations Board? Yes No
- (b) Equal Employment Opportunity Commission? Yes No
- (c) Office of Federal Contract Compliance Programs? Yes No
- (d) U.S. Department of Labor? Yes No
- (e) Any state or local government agency such as the Labor Department or fair employment agency? Yes No
- (f) U.S. District or state court? Yes No

9. During the last 5 years, has any current or former **Employee** or third party made any **Claim**, or otherwise alleged discrimination, harassment, wrongful discharge and/or **Wrongful Acts** against any **Insured**? Yes No

A **Claim** is not limited to the filing of a lawsuit or complaint with the Equal Employment Opportunity Commission or similar state or local agency. A **Claim** may also include a written demand by any current or former **Employee** seeking relief in connection with an employment-related dispute or grievance.

IF "YES" TO ANY PART OF QUESTIONS 8. OR 9., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION FOR EACH ALLEGATION BY ATTACHMENT:

(a) Date Claim first made	(b) Claimant's Name	(c) Allegation	(d) Current Status
(e) Demand Amount	(f) Settlement (Indemnity) or Reserve Amount	(g) Attorney's fees	

Carolina Casualty Insurance Company

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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 NEW MEXICO, 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.

NOTICE TO APPLICANTS OF KENTUCKY: 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.

NOTICE TO APPLICANTS OF MINNESOTA, NEW JERSEY, OHIO, AND OKLAHOMA: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO DISTRICT OF COLUMBIA, MAINE, MASSACHUSETTS, TENNESSEE, VIRGINIA, AND 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.

NOTICE TO APPLICANTS OF 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.

Please Read Carefully

The undersigned, acting on behalf of all **Insureds**, declare that the statements set forth herein are true and correct and that thorough efforts have been made to obtain sufficient information from each and every **Insured** proposed for this insurance to facilitate the proper and accurate completion of this Proposal Form.

The undersigned agree that the particulars and statements contained in the Proposal Form and any material submitted herewith are their representations and are the basis of the insurance contract. The undersigned further agree that the Proposal Form and any material submitted herewith shall be considered attached to and a part of the **Policy**. Any material submitted with the Proposal Form shall be maintained on file (either electronically or paper) with the **Insurer** and shall be deemed to be attached hereto as if physically attached.

It is further agreed that:

- if any significant change in the condition of the applicant is discovered between the date of this Proposal Form and the **Policy** inception date, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the **Insurer** immediately;
- the information contained in this Proposal Form shall not be used by the **Insureds** as notice, nor will the **Insurer** recognize and/or accept the information contained herein as notice, as provided for in section VII. of the Common Policy Terms and Conditions Section of this **Policy**;
- any **Policy**, if issued, will be in reliance upon the truth of such representations; provided, however, with respect to such statements and representations, no knowledge or information possessed by any **Insureds** shall be imputed to any other **Insureds**. If any person or persons knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons. However, if the Chairperson of the Board of Directors, President, Chief Executive Officer, or Chief Financial Officer of the **Insured Entity** knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons and the **Insured Entity**;
- this Proposal Form has been completed as respects the entire **Insured Entity**;
- the signing of this Proposal Form does not bind the undersigned to purchase the insurance.

Dated

President, Chief Executive Officer, Chief Financial Officer, or equivalent position (Signature)

Title

President, Chief Executive Officer, Chief Financial Officer, or equivalent position (Print Name)

Dated

Human Resources Manager, or equivalent position (Signature)

This Carolina Casualty Insurance Company Proposal Form, including any material submitted herewith, shall be held in strictest confidence.

A POLICY CANNOT BE ISSUED UNLESS THE PROPOSAL FORM IS PROPERLY SIGNED AND DATED.

Please submit this Proposal Form including appropriate documentation to:

Monitor Liability Managers, Inc., 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039

Carolina Casualty Insurance Company

4600 Touchton Road East, Building 100, Suite 400, Jacksonville, FL 32246

Small Business Renewal Proposal Form

Management Liability Insurance

CLAIMS MADE WARNING FOR APPLICATION

THIS PROPOSAL FORM IS FOR A CLAIMS MADE AND REPORTED POLICY, RELATING TO CLAIMS MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE.

Whenever printed in this Proposal Form, the terms in boldface type shall have the same meanings as indicated in the Policy. This Proposal Form is to be completed with respect to the entire Insured Entity. Insured Entity as used herein is defined to include the Named Insured and any Subsidiaries.

Name of **Named Insured**

Street Address

Suite

City

County

State

Zip Code

Website Address (if applicable)

Federal Employer Identification Number (FEIN)

The Officer designated as agent of the **Insured Entity** and of all **Insureds** to receive any and all notices from the **Insurer** or their authorized representatives concerning this insurance:

Contact Name

Title

E-mail Address

Telephone Number

Fax Number

Producer Information

Submitted by (Agency Name)

Dated

Agent's Name (Individual's Name)

Agent's License Number

Coverage Section(s) Requested

(Complete only those sections of this Proposal Form specific to the **Coverage Section(s)** requested.)

Directors, Officers and Corporate Liability Insurance Coverage Section:

Yes No

Employment Practices Liability Insurance Coverage Section:

Yes No

Fiduciary Liability Insurance Coverage Section:

Yes No

Current Insurance Information (Provide details to all "Yes" answers by attachment)

1. Provide the following information regarding the **Insured Entity's** most recent insurance policies. If "None", so state.

Type of Policy	Insurance Carrier	Expiration Date	Limit of Liability	Deductible	Premium
Directors and Officers Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____
Employment Practices Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____
Fiduciary Liability: <input type="checkbox"/> None	_____	_____	\$ _____	\$ _____	\$ _____

Documents Required (The following information must be submitted with the completed Proposal Form).

Directors, Officers and Corporate Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment
- Most recent interim and annual financial statements (audited, if available)

Employment Practices Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment

Fiduciary Liability Insurance Coverage Section only:

- Provide details to all "Yes" answers, when applicable, by attachment

General Information (Provide details to all "Yes" answers by attachment)

1. The **Named Insured** has been in continuous operation since: _____

2. (a) What is the **Insured Entity's** Primary Standard Industrial Classification ("SIC") Code? _____

(b) Describe the **Insured Entity's** nature of operations: _____

3. (a) Form of organization:
- | | | |
|--|---------------------------------------|--|
| <input type="checkbox"/> Cooperative | <input type="checkbox"/> Corporation | <input type="checkbox"/> Joint Venture |
| <input type="checkbox"/> Limited Liability Corporation | <input type="checkbox"/> Nonprofit | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Other: _____ | |

Carolina Casualty Insurance Company

- (b) Type of organization: Manufacturing / Production Public Administration Retail Trade
 Service Industry Web Based Wholesale Distributing
4. Is the **Named Insured** or any **Subsidiary** publicly held or a public reporting company under the Securities Exchange Act of 1934? Yes No
5. Provide the following financial information with respect to the **Insured Entity**:
 Assets (000): \$ _____ Annual Revenues (000): \$ _____ Total Number of **Employees**: _____
 Equity (000): \$ _____ Operating Income / Loss (000): \$ _____ Period Ending: _____ / _____ / _____
6. (a) Is the **Insured Entity** currently in bankruptcy? Yes No
 (b) Within the next 12 months, is the **Insured Entity** contemplating filing a petition for protection under the bankruptcy code? Yes No
7. Within the last 12 months, has there been any change (resignations, departures, retirements, etc.) in the position of the Chairman of the Board, President, Chief Executive Officer or Chief Financial Officer? Yes No

Directors, Officers and Corporate Liability Insurance Coverage Section Information

1. (a) Indicate the percentage of shares or units owned directly and/or beneficially by the **Insured Persons**:
 100 percent 75 to 99 percent 50 to 74 percent Less than 50 percent
- (b) Are all security holder(s) who own, or have the right to own, directly and/or beneficially, 25 percent or more of the **Insured Entity's** outstanding shares or units represented on the **Insured Entity's** Board of Directors or Board of Managers or are they Officers of the **Insured Entity**? If "No", provide name of security holder(s) and percent owned. Yes No
- (c) Does any entity own, or have the right to own, directly and/or beneficially, more than 50 percent of the **Insured Entity's** outstanding shares or units? If "Yes", provide name of entity and percent owned. Yes No
 Name of entity: _____ Percent owned: _____ %
2. Within the last 18 months, has the **Insured Entity** been involved in, or is it presently considering, any sale of its stock (in excess of 10 percent of the total stock outstanding), repurchase of its stock, merger, consolidation, acquisition, tender offer, private placement, or divestment? If "Yes", provide the following details below: Description of referenced transaction; date or anticipated date of transaction; and any other appropriate details. Yes No
3. Is the **Insured Entity** engaged in any of the following activities? If "None", so state. None
- Captive Insurance Company operations Insurance Company operations
 Franchising Activities that fall under The Investment Company Act of 1940
 General Partnership operations Joint Venture(s)

Employment Practices Liability Insurance Coverage Section Information

1. Number of **Employees**: Full Time Part Time Leased Seasonal and/or Temporary Volunteers and/or Interns Independent Contractors Annual Turnover Rate
 Current Year:

--	--	--	--	--	--	--
2. Indicate which formal written policies and procedures have been implemented and attach a copy of each. If "None", so state. None
- Employee Handbook / Manual Anti-Harassment Policy, including Employers with more than 50 Employees
 Anti-Discrimination Policy – Sexual Harassment Family Medical Leave Act
 Equal Employment Opportunity (EEO) Policy Adherence to Employment "at-will" relationship with all **Employees** California Employers Only
 California Family Rights Act

Fiduciary Liability Insurance Coverage Section Information

1. Provide the following information regarding each employee welfare benefit plan, employee pension benefit plan or pension plan, as defined by ERISA, (hereinafter referred to as **Employee Benefit Plan(s)**) which the **Insured Entity** maintains or to which it contributes.
- | <u>Name of Plan</u> | <u>Type of Plan*</u> | <u>Name of Plan Sponsor</u> | <u>Number of Plan Participants</u> | <u>Fair Market Value of Plan Assets</u> |
|---------------------|----------------------|-----------------------------|------------------------------------|---|
| _____ | _____ | _____ | _____ | _____ |

*Type of Plan: (DB)=Defined Benefit; (DC)=Defined Contribution; (ESOP)=Employee Stock Ownership Plan; (WB)=Health & Welfare Benefit; (MEP)=Multi Employer Plan or Multiple Employer Plan; (O)=Other

IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR EMPLOYEE BENEFIT PLAN(S) IN QUESTION

1. FOR WHICH THE ABOVE INFORMATION IS INCOMPLETE OR NOT PROVIDED.

2. Has any employee pension benefit plan or pension plan invested in securities of the **Insured Entity**? If "Yes", provide the following details by attachment: number of shares; cost of shares to the plan; fair market value of shares. Yes No
3. Has any **Employee Benefit Plan** loaned or pledged any **Employee Benefit Plan** assets to any party-in-interest (including the **Insured Entity**)? If "Yes", provide details by attachment. Yes No
4. Are there any overdue employer contributions for any plan, or has any plan requested or contemplated filing a request for a waiver of contributions? If "Yes", provide plan name and amount of overdue contributions by attachment. Yes No
5. Within the last 3 years, has there been, or is there currently under consideration, any restructuring, spin-off, transfer, consolidation, merger, termination or other similar transaction of any **Employee Benefit Plan**? Yes No
 If "Yes", provide the following details of the transaction by attachment: whether assets have been fully distributed; date or

Carolina Casualty Insurance Company

expected date of any transfer of employees or **Employee Benefit Plans**; copies of any materials relating to the transaction that were distributed to employees or filed with government agencies.

6. If any of the following questions are answered "No", provide details by attachment.
- (a) Are all **Employee Benefit Plans** compliant with the Health Insurance Portability and Accountability Act ("HIPAA")? Yes No
 - (b) Does the plan sponsor comply with the summary plan description requirements under **ERISA** for all **Employee Benefit Plans**? Yes No
 - (c) Do all employee pension benefit plans or pension plans have a written investment policy? Yes No
 - (d) Are all employee pension benefit plan or pension plan assets managed by a third party investment manager? Yes No
 - (e) Do the fiduciaries review the investment guidelines used by the investment managers at least annually? Yes No
 - (f) Is the "fair market value" of all employee pension benefit plan or pension plan assets calculated at least annually? Yes No
7. During the last 5 years, has there been, or is there currently, any investigation by the IRS, Department of Labor ("DOL"), Pension Benefit Guarantee Corporation ("PBGC"), or any other state or federal agency of any **Employee Benefit Plan** or any current or former fiduciary of such **Employee Benefit Plan**? If "Yes", provide details by attachment. Yes No

Litigation and Claim Information (Provide details to all "Yes" answers by attachment)

Directors, Officers and Corporate Liability Insurance Coverage Section only:

1. During the last 5 years, has the **Insured Entity** or any of the **Insured Persons** received any written demands for monetary or non-monetary relief, been involved in, or had any knowledge of any civil or criminal action, administrative or arbitration proceeding, including both domestic or foreign equivalents, involving:
- (a) any intellectual property disputes, including Copyright, Patent, or Trademark Laws? Yes No
 - (b) any alleged violation of any Federal or State Security Law or Regulation? Yes No
 - (c) any alleged violation of any Federal or State Anti-Trust or Fair Trade Law? Yes No
 - (d) any other allegations of violations of federal, state or local statute, regulation, ordinance or common law that would otherwise be within the scope of this proposed insurance? Yes No

Employment Practices Liability Insurance Coverage Section only:

2. During the last 5 years, has any **Insured** known of, or been involved in any lawsuit, charges, inquiries, investigations, grievances or other administrative hearings or proceedings before any of the following agencies and/or in any of the following forums, including both domestic or foreign equivalents?
- (a) National Labor Relations Board? Yes No
 - (b) Equal Employment Opportunity Commission? Yes No
 - (c) Office of Federal Contract Compliance Programs? Yes No
 - (d) U.S. Department of Labor? Yes No
 - (e) Any state or local government agency such as the Labor Department or fair employment agency? Yes No
 - (f) U.S. District or state court? Yes No
3. During the last 5 years, has any current or former **Employee** or third party made any **Claim**, or otherwise alleged discrimination, harassment, wrongful discharge and/or **Wrongful Acts** against any **Insured**? Yes No
- A **Claim** is not limited to the filing of a lawsuit or complaint with the Equal Employment Opportunity Commission or similar state or local agency. A **Claim** may also include a written demand by any current or former **Employee** seeking relief in connection with an employment-related dispute or grievance.

Fiduciary Liability Insurance Coverage Section only:

4. During the last 5 years, has any **Insured** been named as a party in any civil or criminal action, administrative, arbitration, regulatory or investigative proceeding, or received any other written demands for money or services that would be within the scope of this proposed insurance? Yes No

IF "YES" TO ANY PART OF QUESTIONS 1., 2., 3., OR 4., PROVIDE FULL DETAILS FOR EACH ALLEGATION, EVEN IF THE MATTER HAS SINCE BEEN SETTLED OR OTHERWISE RESOLVED, BY PROVIDING THE FOLLOWING INFORMATION BY ATTACHMENT:

- | | | | |
|----------------------------------|--|---------------------|--------------------|
| (a) Date Claim first made | (b) Claimant's Name | (c) Allegation | (d) Current Status |
| (e) Demand Amount | (f) Settlement (Indemnity) or Reserve Amount | (g) Attorney's fees | |

Carolina Casualty Insurance Company

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NOTICE TO APPLICANTS OF MINNESOTA, NEW JERSEY, OHIO, AND OKLAHOMA: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUDS OR DECEIVES ANY INSURER OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

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NOTICE TO APPLICANTS OF 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.

Please Read Carefully

The undersigned, acting on behalf of all **Insureds**, declare that the statements set forth herein are true and correct and that thorough efforts have been made to obtain sufficient information from each and every **Insured** proposed for this insurance to facilitate the proper and accurate completion of this Proposal Form.

The undersigned agree that the particulars and statements contained in the Proposal Form and any material submitted herewith are their representations and are the basis of the insurance contract. The undersigned further agree that the Proposal Form and any material submitted herewith shall be considered attached to and a part of the **Policy**. Any material submitted with the Proposal Form shall be maintained on file (either electronically or paper) with the **Insurer** and shall be deemed to be attached hereto as if physically attached.

It is further agreed that:

- if any significant change in the condition of the applicant is discovered between the date of this Proposal Form and the **Policy** inception date, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the **Insurer** immediately;
- the information contained in this Proposal Form shall not be used by the **Insureds** as notice, nor will the **Insurer** recognize and/or accept the information contained herein as notice, as provided for in section VII. of the Common Policy Terms and Conditions Section of this **Policy**;
- any **Policy**, if issued, will be in reliance upon the truth of such representations; provided, however, with respect to such statements and representations, no knowledge or information possessed by any **Insureds** shall be imputed to any other **Insureds**. If any person or persons knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons. However, if the Chairperson of the Board of Directors, President, Chief Executive Officer, or Chief Financial Officer of the **Insured Entity** knew as of the **Policy** inception date that such declarations and statements contained in the Proposal Form(s) were untrue, inaccurate or incomplete, then this **Policy** will be void as to that person or persons and the **Insured Entity**;
- this Proposal Form has been completed as respects the entire **Insured Entity**;
- the signing of this Proposal Form does not bind the undersigned to purchase the insurance.

_____	_____
Dated	President, Chief Executive Officer, Chief Financial Officer, or equivalent position (Signature)
_____	_____
Title	President, Chief Executive Officer, Chief Financial Officer, or equivalent position (Print Name)
_____	_____
Dated	Human Resources Manager, or equivalent position (Signature)

This Carolina Casualty Insurance Company Proposal Form, including any material submitted herewith, shall be held in strictest confidence.

A POLICY CANNOT BE ISSUED UNLESS THE PROPOSAL FORM IS PROPERLY SIGNED AND DATED.

Please submit this Proposal Form including appropriate documentation to:

Monitor Liability Managers, Inc., 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039

**Arkansas
Amendatory Endorsement**

In consideration of the premium paid for this **Policy**, it is understood and agreed that:

1. Section II. Extended Reporting Period of the Common Policy Terms and Conditions Section of this **Policy** is deleted in its entirety and replaced with the following:
 - II. A.: If the **Named Insured** cancels or if the **Insurer** or the **Named Insured** refuses to renew this **Policy**, then, without any additional premium being required, there shall be an automatic extension of the coverage granted by this **Policy** with respect to any **Claim** first made and reported during a period of 60 days after the date upon which the **Policy Period** ends, but only with respect to any **Wrongful Act** fully occurring prior to the end of the **Policy Period** and otherwise covered by this **Policy**. This 60 day period shall be referred to as the "Automatic Extended Reporting Period".

If the **Named Insured** cancels or if the **Insurer** or the **Named Insured** refuses to renew this **Policy**, then the **Named Insured** shall have the right, upon payment of an additional premium of 150 percent of the "full annual premium", to an extension of the coverage granted by this **Policy** with respect to any **Claim** first made and reported during the period of 24 months after the date upon which the **Policy Period** ends, but only with respect to any **Wrongful Act** fully occurring prior to the end of the **Policy Period** and otherwise covered by this **Policy**. Such 24 month period shall be referred to as the Extended Reporting Period. As used herein, "full annual premium" means the premium level in effect immediately prior to the end of the **Policy Period** for all **Coverage Sections** purchased as part of this **Policy**. This 24 months period shall be referred to as the "Additional Extended Reporting Period". The Automatic Extended Reporting Period and the Additional Extended Reporting Period shall be referred to collectively as the "Extended Reporting Period".
 - II. B.: The quotation of a different premium and/or deductible and/or Limit of Liability and/or terms and conditions for renewal does not constitute a refusal to renew for the purpose of this section II.
 - II. C.: The right to purchase the Additional Extended Reporting Period shall terminate unless written notice is given to the **Insurer** within 60 days after the effective date of cancellation, or, in the event of a refusal to renew, within 60 days after the **Policy Period** ends, together with full payment of the premium for the Additional Extended Reporting Period. If such notice and premium payment is not so given to the **Insurer**, the **Named Insured** will not be able to exercise the right to purchase the Additional Extended Reporting Period at a later date.
 - II. D.: If the Additional Extended Reporting Period is purchased, the entire premium shall be deemed earned at its commencement and if the **Named Insured** terminates the Additional Extended Reporting Period before its term, the **Insurer** shall not be liable to return any portion of the premium paid for the Additional Extended Reporting Period.
 - II. E.: For the purposes of the Additional Extended Reporting Period, the maximum aggregate Limit of Liability stated in Item 4. of the Declarations shall not be less than the greater of the amount of coverage remaining in the expiring policy aggregate or 50 percent of the aggregate at **Policy** inception.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured	Policy Number
Effective Date of This Endorsement Policy Inception	Authorized Representative

SERFF Tracking Number: MNLM-125376989 *State:* Arkansas
Filing Company: Carolina Casualty Insurance Company *State Tracking Number:* #20225 \$50
Company Tracking Number: ML-110106-F
TOI: 17.1 Other Liability - Claims Made Only *Sub-TOI:* 17.1000 Other Liability Sub-TOI Combinations
Product Name: Management Liability Insurance
Project Name/Number: ML 26360 (10-05)/12-07 New Program

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: MNLM-125376989 State: Arkansas
Filing Company: Carolina Casualty Insurance Company State Tracking Number: #20225 \$50
Company Tracking Number: ML-110106-F
TOI: 17.1 Other Liability - Claims Made Only Sub-TOI: 17.1000 Other Liability Sub-TOI Combinations
Product Name: Management Liability Insurance
Project Name/Number: ML 26360 (10-05)/12-07 New Program

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 12/06/2007

Comments:

Attachment:

Transmittal PC TD-1 1-06 BR.pdf

Satisfied -Name: Forms List **Review Status:** Approved 12/06/2007

Comments:

Attachment:

Forms 11-06.pdf

Satisfied -Name: Authorization Letter **Review Status:** Approved 12/06/2007

Comments:

Attachment:

Authorization Letter.pdf

Satisfied -Name: Form Schedule **Review Status:** Approved 12/06/2007

Comments:

Attachment:

Form Schedule PC FFS-1 1-06.pdf

Satisfied -Name: Filing Memo **Review Status:** Approved 12/06/2007

Comments:

Attachment:

Filing Memo.pdf

Property & Casualty Transmittal Document (Revised 1/1/06)

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
h. Subject Codes		

3. Group Name	W.R. Berkley Corporation			Group NAIC #	098
4. Company Name(s)	Domicile	NAIC #	FEIN #		
Carolina Casualty Insurance Company	Florida	10510	59-0733942		

5. Company Tracking Number	ML-110106-F
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Beth Richards Monitor Liability Managers, Inc. 2850 W. Golf Road, Ste. 800 Rolling Meadows, IL 60008	Senior Compliance Analyst	800-446-2100, x568	847-806-6590	brichards@monitorliability.com
7.	Signature of authorized filer		<i>Beth Richards</i>		
8.	Please print name of authorized filer		Beth Richards		

Filing information (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	17.1000 - Other Liability - Claims Made Only			
10.	Sub-Type of Insurance (Sub-TOI)	17.1000 - Other Liability - Claims Made, Management Liability Insurance			
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]				
12.	Company Program Title (Marketing title)	Management Liability Insurance			
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)			
14.	Effective Date(s) Requested	New:	Upon Approval	Renewal:	Upon Approval
15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
16.	Reference Organization (if applicable)	N/A			
17.	Reference Organization # & Title	N/A			
18.	Company's Date of Filing	12/4/07			
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved			

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	ML-110106-F
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Carolina Casualty Insurance Company is filing a new program for Management Liability Insurance. This filing includes the following:

FORMS:

- 1 new policy form
- 1 new policy conditions
- 1 new declarations page
- 38 new endorsements
- 5 new proposal forms (applications)
-

Please refer to the attached Schedule of Forms for details.

RATES/RULES:

- Rates being filed under separate cover.
-

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
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Check #: 20225
Amount: \$50.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

CAROLINA CASUALTY INSURANCE COMPANY
MANAGEMENT LIABILITY INSURANCE – ML 26360(10-05) ORIGINAL FILING
1 New Policy Form; 1 New Policy Conditions; 1 New Dec Page; 38 New Endorsements; 5 New Proposal Forms

SCHEDULE OF FORMS

NUMBER	TITLE	DESCRIPTION	BROADEN	RESTRICT	CLARIFY
CT 22360 (10-05)	Common Policy Terms and Conditions Section	This is the Common Policy Terms and Conditions Section of the Management Liability Insurance Package policy.			X
ML 26360 (10-05)	Directors, Officers and Corporate Liability Insurance Coverage Section	This is the Directors, Officers and Corporate Liability Insurance Coverage Section.			X
ML 26361 (10-05)	Declarations Page for Management Liability Insurance	This is the Declarations Page for the Management Liability Insurance Policy.			X
CT 222061 (10-05)	Addition to Section II. Purchase of Extended Reporting Period	Amends section II. A. of the Common Policy Terms and Conditions Section of the Policy to effect the purchase of the Extended Reporting Period in section II. of the Common Policy Terms and Conditions Section of the Policy.	X		
CT 223010 (10-05)	Addition to Section III. Definitions	Adds to section III. of the Common Policy Terms and Conditions Section of the Policy.			X
CT 223031 (10-05)	Addition to Section III. B. Addition of Insured Entity	Adds to section III. B. of the Common Policy Terms and Conditions Section of the Policy to list a specific additional Insured Entity.			X
CT 223032 (10-05)	Addition to Section III. B. Deletion of Insured Entity	Adds to section III. B. of the Common Policy Terms and Conditions Section of the Policy to delete a specific Insured Entity.			X
CT 223035 (rev. 09-06)	Addition to Section III. B. Addition of Insured Entity with Prior and Pending Litigation and Past Acts Exclusion	Adds to section III. B. of the Common Policy Terms and Conditions Section of the Policy to list a specific additional Insured Entity, including a Prior and Pending Litigation and Past Acts Exclusion.			X
CT 223091 (10-05)	Addition to Section III. H. Addition of Subsidiary	Amends section III. H. of the Common Policy Terms and Conditions Section of the Policy to list specific Subsidiary(ies).			X
CT 223092 (10-05)	Addition to Section III. H. Deletion of Subsidiary	Amends section III. H. of the Common Policy Terms and Conditions Section of the Policy to delete specific Subsidiary(ies).			X
CT 223095 (rev. 09-06)	Addition to Section III. H. Addition of Subsidiary with Prior and Pending Litigation and Past Acts Exclusion	Amends section III. H. of the Common Policy Terms and Conditions Section of the Policy to list specific Subsidiary(ies), including a Prior and Pending Litigation and Past Acts Exclusion.			X
CT 224010 (10-05)	Addition to Section IV. Exclusions	Amends section IV. of the Common Policy Terms and Conditions Section of the Policy to exclude coverage for Loss arising out of any Claim related to a specific underwriting concern.	X		
CT 224310 (09-06)	Addition to Section IV. Past Acts Exclusion	Excludes prior acts coverage across all attached coverage sections.		X	
CT 225010 (10-05)	Addition to Section V. Limit of Liability and Deductibles	Adds to section V. of the Common Policy Terms and Conditions Section of the Policy.	X		
CT 226010 (10-05)	Addition to Section VI. Defense, Cooperation and Settlements	Adds to section VI. of the Common Policy Terms and Conditions Section of the Policy.	X		
CT 226011 (09-06)	Costs of Defense Only Coverage	Provides Costs of Defense only coverage for all Claims		X	
CT 227010 (10-05)	Addition to Section VII. Notice of Claim and Multiple Claims	Adds to section VII. of the Common Policy Terms and Conditions Section of the Policy.	X		

CAROLINA CASUALTY INSURANCE COMPANY
MANAGEMENT LIABILITY INSURANCE – ML 26360(10-05) ORIGINAL FILING
1 New Policy Form; 1 New Policy Conditions; 1 New Dec Page; 38 New Endorsements; 5 New Proposal Forms

SCHEDULE OF FORMS

NUMBER	TITLE	DESCRIPTION	BROADEN	RESTRICT	CLARIFY
CT 228010 (10-05)	Addition to Section VIII. General Conditions	Adds to section VIII. of the Common Policy Terms and Conditions Section of the Policy.	X		
CT 228051 (10-05)	Addition to Section VIII. D. Purchase of Run Off Period	Effects the purchase of the Run Off Period in section VIII. D. of the Common Policy Terms and Conditions Section of the Policy.			X
ML 263010 (10-05)	Addition to Section III. Additional Definitions	Adds to section III. of the Directors, Officers and Corporate Liability Insurance Coverage Section of the Policy.	X		
ML 264010 (10-05)	Addition to Section IV. Additional Exclusions	Amends section IV. of the Directors, Officers and Corporate Liability Insurance Coverage Section of the Policy to exclude coverage for Loss arising out of any Claim related to a specific underwriting concern.		X	
ML 264310 (10-05)	Addition to Section IV. Past Acts Exclusion	Adds to section IV. of the Directors, Officers and Corporate Liability Insurance Coverage Section of the Policy to exclude coverage for Loss arising out of any Wrongful Act which occurred prior to a specific date.		X	
ML 264320 (10-05)	Addition to Section IV. Major Stockholder Exclusion	Adds to section IV. of the Directors, Officers and Corporate Liability Insurance Coverage Section of the Policy to exclude coverage for Loss arising out of any suit brought by any shareholder owning more than a specific percentage of the outstanding stock of the Insured Entity.		X	
ML 264322 (10-05)	Addition to Section IV. Interested Party Exclusion	Adds to section IV. of the Directors, Officers and Corporate Liability Insurance Coverage Section of the Policy to exclude coverage for Loss arising out of any suit brought by a specific entity or its subsidiaries, affiliates, or directors and officers.		X	
ML 264390 (10-05)	Addition to Section IV. Anti-Trust Exclusion	Adds to section IV. of the Directors, Officers and Corporate Liability Insurance Coverage Section of the Policy to exclude coverage for Loss arising out of the violation of any law prohibiting unlawful restraints and/or monopolies in trade or commerce.		X	
ML 265010 (10-05)	Addition to Section V. Changes in Exposure	Adds to section V. of the Directors, Officers and Corporate Liability Insurance Coverage Section of the Policy.	X		
ML 269010 (10-05)	Modification to Item 1. of the Declarations Name and Address of Named Insured	Modifies Item 1. of the Declarations, Name and Address of the Named Insured.			X
ML 269020 (10-05)	Modification to Item 2. of the Declarations Policy Period	Modifies Item 2. of the Declarations, Policy Period.			X
ML 269021 (10-05)	Modification to Item 2. of the Declarations Extend Policy Period	Modifies Item 2. of the Declarations, Policy Period, to extend the Policy beyond it's original expiration date.			X
ML 269022 (10-05)	Modification to Item 2. of the Declarations Change Policy Period	Modifies Item 2. of the Declarations, Policy Period, to cancel the Policy prior to it's original expiration date.			X
ML 269030 (10-05)	Modification to Item 3. of the Declarations Purchased Coverage Sections	Modifies Item 3. of the Declarations, Purchased Coverage Section.			X
ML 269040 (10-05)	Modification to Item 4. of the Declarations Aggregate Limit of Liability for the Policy Period	Modifies Item 4. of the Declarations, Limits of Liability for the Policy Period.			X

CAROLINA CASUALTY INSURANCE COMPANY
MANAGEMENT LIABILITY INSURANCE – ML 26360(10-05) ORIGINAL FILING
1 New Policy Form; 1 New Policy Conditions; 1 New Dec Page; 38 New Endorsements; 5 New Proposal Forms

SCHEDULE OF FORMS

NUMBER	TITLE	DESCRIPTION	BROADEN	RESTRICT	CLARIFY
ML 269041 (10-05)	Modification to Item 4. of the Declarations Change in Aggregate Limit of Liability for the Policy Period	Modifies Item 4. of the Declarations, Limits of Liability for the Policy Period to effect a change in the Limits of Liability.			X
ML 269050 (10-05)	Modification to Item 5. of the Declarations Applicable Deductibles	Modifies Item 5. of the Declarations, Applicable Deductibles.			X
ML 269051 (10-05)	Modification to Item 5. of the Declarations Change in Applicable Deductibles	Modifies Item 5. of the Declarations, Applicable Deductibles to effect a change in the Deductibles.			X
ML 269060 (10-05)	Modification to Item 6. of the Declarations Premium	Modifies Item 6. of the Declarations, Premium.			X
ML 269061 (10-05)	Modification to Item 6. of the Declarations Premium Adjustment due to Cancellation by Insured	Modifies Item 6. of the Declarations, Premium to disclose the short rate fee due to cancellation by the Insured.			X
ML 269062 (10-05)	Modification to Item 6. of the Declarations Premium Adjustment	Modifies Item 6. of the Declarations, Premium to disclose the specific premium for a specific endorsement.			X
ML 269070 (10-05)	Modification to Item 7. of the Declarations Prior and Pending Litigation Dates	Modifies Item 7. of the Declarations, Prior and Pending Litigation Dates.			X
ML 269100 (10-05)	Deletion of Endorsement	Modifies Item 8. of the Declarations to delete a specific endorsement as of a specific date.			X
ML 26500 (rev. 01-05)	Management Liability Insurance Proposal Form	This is a Management Liability Insurance application for insurance. This proposal form is utilized for first-time buyers.			X
ML 26506 (01-05)	Management Liability Insurance Proposal Form	This is a Management Liability Insurance application for insurance. This proposal form is utilized for first-time buyers			X
ML26510 (rev. 01-05)	Management Liability Insurance Renewal Proposal Form	This is a Management Liability Insurance renewal application for insurance. This proposal form is utilized for renewing buyers.			X
ML 26515 (rev. 01-05)	Management Liability Insurance Renewal Proposal Form	This is a Management Liability Insurance renewal application for insurance. This proposal form is utilized for renewing buyers.			X
ML 26516 (01-05)	Management Liability Insurance Renewal Proposal Form	This is a Management Liability Insurance renewal application for insurance. This proposal form is utilized for renewing buyers.			X
CT 220015 (rev. 06-06)	Arkansas Amendatory Endorsement	Amends Policy Form.			X



Filing Authorization Letter

January 2, 2007

RE: Carolina Casualty Insurance Company, NAIC 10510, FEIN 59-0733942
Filing Authorization: Monitor Liability Managers, Inc.

Dear Commissioner:

The purpose of this letter is to authorize Monitor Liability Managers, Inc. ("Monitor") to submit filings for Professional Liability Insurance on behalf of Carolina Casualty Insurance Company.

By way of explanation, we would like to provide background as to the relationship between these two companies. Both Monitor Liability Managers, Inc. and Carolina Casualty Insurance Company are subsidiaries of the W.R. Berkley Corporation, an insurance holding company with insurance company subsidiaries operating throughout the United States. Monitor acts as an underwriting manager on behalf of certain insurance companies within the W.R. Berkley organization, including Carolina Casualty Insurance Company. Monitor has full underwriting and claims settlement authority and is responsible for Professional Liability Insurance product development.

An integral part of Monitor's strategic marketing plan is to make all of its products available in the admitted market through Carolina Casualty Insurance Company. Carolina Casualty already has filings in place, in most states, for the Directors' and Officers' Program, the Lawyers' Professional Liability Program, Excess Professional Liability, Management Liability, Employment Liability Practices and Non-Profit Organization Liability.

To facilitate and streamline current and future filing activities, Carolina Casualty Insurance Company is hereby extending authority to Monitor Liability Managers, Inc. to make Professional Liability filings on its behalf.

Any and all questions regarding Professional Liability submissions should be directed to:

Ms. Penelope Kilberry, CPCU, CPIW, AIS
Assistant Vice President
Regulatory Compliance
Monitor Liability Managers, Inc.
2850 West Golf Road, Suite 800
Rolling Meadows, IL 60008
847.806.6590, ext. 570

In addition to Penny Kilberry, Sandra L. Baggio, Senior Compliance Analyst, and Beth Richards, Senior Compliance Analyst, are authorized to submit filings on our behalf. Douglas J. Powers, CPCU, Assistant Secretary of Carolina Casualty Insurance Company will execute all documents requiring an officer's signature.

If you have questions regarding this authorization, please call Penny Kilberry at 1.800.446.2100, ext. 570, send an e-mail to pkilberry@monitorliability.com or write to Ms. Kilberry at 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008.

Sincerely,



Douglas J. Powers, CPCU
Assistant Secretary
Carolina Casualty Insurance Company
1.800.446.2100, ext. 508

FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	ML-110106-F
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	ML-110106-R

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
1	Common Policy Terms and Conditions Section	CT 22360 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
2	Directors, Officers and Corporate Liability Insurance Coverage Section	ML 26360 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
3	Declarations Page for Management Liability Insurance	ML 26361 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
4	Addition to Section II. Purchase of Extended Reporting Period	CT 222061 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
5	Addition to Section III. Definitions	CT 223010 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
6	Addition to Section III. B. Addition of Insured Entity	CT 223031 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
7	Addition to Section III.B. Deletion of Insured Entity	CT 223032 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
8	Addition to Section III. B. Addition of Insured Entity with Prior and Pending Litigation and Past Acts Exclusion	CT 223035 (rev. 09-06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
9	Addition to Section III. H. Addition of Subsidiary	CT 223091 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Addition to Section III. H. Deletion of Subsidiary	CT 223092 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
11	Addition to Section III. H. Addition of Subsidiary with Prior and Pending Litigation and Past Acts Exclusion	CT 223095 (rev. 09-06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
12	Addition to Section IV. Exclusions	CT 224010 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
13	Addition to Section IV. Past Acts Exclusion	CT 224310 (09-06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
14	Addition to Section V. Limit of Liability and Deductibles	CT 225010 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	ML-110106-F
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	ML-110106-R

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
15	Addition to Section VI. Defense, Cooperation and Settlements	CT 226010 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
16	Costs of Defense Only Coverage	CT 226011 (09-06)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
17	Addition to Section VII. Notice of Claim and Multiple Claims	CT 227010 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
18	Addition to Section VIII. General Conditions	CT 228010 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
19	Addition to Section VIII. D. Purchase of Run Off Period	CT 228051 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
20	Addition to Section III. Additional Definitions	ML 263010 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
21	Addition to Section IV. Additional Exclusions	ML 264010 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
22	Addition to Section IV. Past Acts Exclusion	ML 264310 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
23	Addition to Section IV. Major Stockholder Exclusion	ML 264320 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
24	Addition to Section IV. Interested Party Exclusion	ML 264322 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
25	Addition to Section IV. Anti-Trust Exclusion	ML 264390 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
26	Addition to Section V. Changes in Exposure	ML 265010 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
27	Modification to Item 1. of the Declarations Name and Address of Named Insured	ML 269010 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		
28	Modification to Item 2. of the Declarations Policy Period	ML 269020 (10-05)	[<input checked="" type="checkbox"/>] New [] Replacement [] Withdrawn		

FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	ML-110106-F
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	ML-110106-R

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
29	Modification to Item 2. of the Declarations Extend Policy Period	ML 269021 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
30	Modification to Item 2. of the Declarations Change Policy Period	ML 269022 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
31	Modification to Item 3. of the Declarations Purchased Coverage Sections	ML 269030 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
32	Modification to Item 4. of the Declarations Aggregate Limit of Liability for the Policy Period	ML 269040 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
33	Modification to Item 4. of the Declarations Change in Aggregate Limit of Liability for the Policy Period	ML 269041 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
34	Modification to Item 5. of the Declarations Applicable Deductibles	ML 269050 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
35	Modification to Item 5. of the Declarations Change in Applicable Deductibles	ML 269051 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
36	Modification to Item 6. of the Declarations Premium	ML 269060 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
37	Modification to Item 6. of the Declarations Premium Adjustment due to Cancellation by Insured	ML 269061 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
38	Modification to Item 6. of the Declarations Premium Adjustment	ML 269062 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
39	Modification to Item 7. of the Declarations Prior and Pending Litigation Dates	ML 269070 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
40	Deletion of Endorsement	ML 269100 (10-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
41	Management Liability Insurance Proposal Form	ML 26500 (rev. 01-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
42	Management Liability Insurance Proposal Form	ML 26506 (01-05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	ML-110106-F
2.	This filing corresponds to rate/rule filing number <small>(Company tracking number of rate/rule filing, if applicable)</small>	ML-110106-R

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or Withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
43	Management Liability Insurance Renewal Proposal Form	ML 26510 (rev. 01-05)	[<input checked="" type="checkbox"/>] New [<input type="checkbox"/>] Replacement [<input type="checkbox"/>] Withdrawn		
44	Management Liability Insurance Renewal Proposal Form	ML 26515 (rev. 01-05)	[<input checked="" type="checkbox"/>] New [<input type="checkbox"/>] Replacement [<input type="checkbox"/>] Withdrawn		
45	Management Liability Insurance Renewal Proposal Form	ML 26516 (01-05)	[<input checked="" type="checkbox"/>] New [<input type="checkbox"/>] Replacement [<input type="checkbox"/>] Withdrawn		
46	Arkansas Amendatory Endorsement	CT 220015 (rev. 06-06)	[<input checked="" type="checkbox"/>] New [<input type="checkbox"/>] Replacement [<input type="checkbox"/>] Withdrawn		
47			[<input type="checkbox"/>] New [<input type="checkbox"/>] Replacement [<input type="checkbox"/>] Withdrawn		
48			[<input type="checkbox"/>] New [<input type="checkbox"/>] Replacement [<input type="checkbox"/>] Withdrawn		

**CAROLINA CASUALTY INSURANCE COMPANY
MANAGEMENT LIABILITY INSURANCE
SMALL BUSINESS PROGRAM**

FILING MEMORANDUM

Carolina Casualty Insurance Company is submitting its new Small Business program for Management Liability.

This program has been developed to be an integral addition to our growing portfolio of professional liability products and to address the needs of a select market segment. It is a two-fold program, providing coverage to the insured entity, any director or officer, and its employees, and also has a broad range of deductible options and coverage for full and part-time, leased, seasonal and temporary employees, including third parties and independent contractors.

This Management Liability program has been designed to insure small, privately held, for-profit business entities that meet specific eligibility criteria, including no more than 100 rated employees and are within an acceptable risk class.

This is a claims-made program and coverage includes: costs of defense, damages such as lost wages, and judgments for related injury, including mental anguish. This program offers coverage for wrongful acts including: alleged breach of duty, error, misstatement, omission or act, and alleged discrimination, sexual harassment and wrongful termination by employees, former employees and applicants for employment.