

Broker Name: \_\_\_\_\_

**PART I – GENERAL APPLICANT INFORMATION**

- 1. Name of Applicant Company: \_\_\_\_\_
- 2. DBA Name: \_\_\_\_\_
- 3. Parent/Subsidiaries: \_\_\_\_\_
- 4. Mailing address: \_\_\_\_\_
- 5. Business address: \_\_\_\_\_
- 6. Billing address (if different): \_\_\_\_\_
- 7. Website: \_\_\_\_\_
- 8. Contact person (name and title): \_\_\_\_\_
- 9. Phone: \_\_\_\_\_ 10. E-mail address: \_\_\_\_\_

**PART II – COMPANY INFORMATION**

- 1. Type of Organization:      Corporation      Partnership      LLC      Other: \_\_\_\_\_
- 2. Date established under current ownership: \_\_\_\_\_
- 3. Are you publicly held? Yes      No
- 4. Do you have a For Profit subsidiary? Yes      No
- 5. Have you been involved in any actual, negotiated, or attempted merger, acquisition, or divestment in the past 18 months? Yes      No  
If Yes, provide details on a separate page.
- 6. Are you considering any merger or acquisition in the next 12 months? Yes      No  
If Yes, provide details on a separate page.

**PART III – FINANCIAL INFORMATION**

- 1. Current Assets:      \$ \_\_\_\_\_      Total Assets:      \$ \_\_\_\_\_      Annual Revenues:      \$ \_\_\_\_\_
- 2. Current Liabilities:      \$ \_\_\_\_\_      Long Term Liabilities:      \$ \_\_\_\_\_      Net Income/(Loss):      \$ \_\_\_\_\_
- 3. Do you anticipate restructuring, legal/financial reorganization, or bankruptcy filing in the next 12 months? Yes      No  
If Yes, provide details on a separate page.
- 4. Have you considered restructuring, legal/financial reorganization, or bankruptcy filing in the past 24 months? Yes      No  
If Yes, provide details on a separate page.
- 5. Are you currently in compliance with all debt covenants? Yes      No  
If No, please provide details.

**PART IV – COVERAGE INFORMATION**

- 1. Effective date: \_\_\_\_\_      Current policy expiration date, if applicable: \_\_\_\_\_      Prior Acts date of current policy, if applicable: \_\_\_\_\_
- | <u>Coverages</u>                         | <u>Limits of Liability</u> |
|------------------------------------------|----------------------------|
| 2. Directors & Officers Liability: _____ | _____                      |
| 3. Employment Practices Liability: _____ | _____                      |
| 4. Fiduciary Liability: _____            | _____                      |
| 5. Are the limits to be shared: _____    | Yes      No                |

**PART V – DIRECTORS AND OFFICERS, IF APPLICABLE**

- |                                                                                                                                                                                                                                                              |                                                  |    |       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|----|-------|
| 1. Total number of common shareholders: _____                                                                                                                                                                                                                | Total number of common shares outstanding: _____ |    |       |
| 2. Total number of common shares owned by Directors and Officers:                                                                                                                                                                                            |                                                  |    |       |
| 3. Please provide a list of all shareholders who own more than 5% including name and percentage owned.                                                                                                                                                       |                                                  |    |       |
| 4. Do the major shareholders (either individually or collectively) own any other healthcare-related organization, or entity, including any provider of medical services, management/consulting services, etc?<br>If Yes, provide details on a separate page. | Yes                                              | No |       |
| 5. Have you transacted or attempted a private debt or equity offering of securities within the last 18 months?<br>If Yes, provide details on a separate page.                                                                                                | Yes                                              | No |       |
| 6. Do you anticipate any private debt or equity offering of securities in the next 18 months?<br>If Yes, provide details on a separate page.                                                                                                                 | Yes                                              | No |       |
| 7. Do you anticipate any public offerings of securities in the next 18 months?                                                                                                                                                                               | Yes                                              | No |       |
| 8. Have you entered into a management services agreement with any entity?                                                                                                                                                                                    | Yes                                              | No |       |
| 9. Do you maintain a process, such as a hotline, to receive complaints and allegations of wrongdoing?                                                                                                                                                        | Yes                                              | No |       |
| 10. Have you disclosed to any governmental entity or are you aware of any violations or potential violations of the following:                                                                                                                               |                                                  |    |       |
| a. False Claims Act                                                                                                                                                                                                                                          | Yes                                              | No |       |
| b. Physician Ownership and Self-Referral Act (The Stark Act)                                                                                                                                                                                                 | Yes                                              | No |       |
| c. Any Similar law or regulation<br>If Yes, to any of the above, please provide complete details.                                                                                                                                                            | Yes                                              | No |       |
| 11. Does the market share of any Applicant exceed 25% in any geographic service area?<br>If Yes, please provide details.                                                                                                                                     | Yes                                              | No |       |
| 12. Provide the percentage of revenue derived from Government Sources                                                                                                                                                                                        |                                                  |    | _____ |
| 13. Provide the percentage of revenue from Medicare/Medicaid                                                                                                                                                                                                 |                                                  |    | _____ |
| 14. Do you have a formal written regulatory compliance policies and procedures including but not limited to The Federal False Claims Act and HIPAA/HITECH Act in place?                                                                                      | Yes                                              | No |       |
| 15. Do you perform peer review services or credentialing activities:                                                                                                                                                                                         |                                                  |    |       |
| a. For medical staff or faculty                                                                                                                                                                                                                              | Yes                                              | No |       |
| b. For any Third Party                                                                                                                                                                                                                                       | Yes                                              | No |       |
| c. Do you have written policies and procedures in place addressing provider selection                                                                                                                                                                        | Yes                                              | No |       |
| d. Is legal counsel consulted prior to finalizing a recommendation or decision that could adversely affect medical staff or faculty membership, privileges, or licensing                                                                                     | Yes                                              | No |       |
| e. During the past 5 years, have you been subject to legal recourse due to the restriction or suspension of any license or privilege of any member of the medical staff or faculty                                                                           | Yes                                              | No |       |
| 16. Do you have any exclusive contracts with any providers?<br>If Yes, please provide complete details.                                                                                                                                                      | Yes                                              | No |       |
| 17. Have you been subject to any:                                                                                                                                                                                                                            |                                                  |    |       |
| a. Regulatory investigation, audit, notice, or indictment involving patient billing, healthcare fraud and abuse of laws or any kickback laws?                                                                                                                | Yes                                              | No |       |
| b. Federal or state mandate or required regulatory compliance oversight program?                                                                                                                                                                             | Yes                                              | No |       |
| c. Regulatory monetary settlement, fine or penalty                                                                                                                                                                                                           | Yes                                              | No |       |
| 18. Have you, or any natural person for whom insurance is intended been involved in:                                                                                                                                                                         |                                                  |    |       |
| a. Any antitrust, copyright or patent litigation                                                                                                                                                                                                             | Yes                                              | No |       |
| b. Any civil or criminal action or administrative proceeding alleging a violation of any federal or state security law or regulation                                                                                                                         | Yes                                              | No |       |
| c. Any representative actions, class actions or derivative suits                                                                                                                                                                                             | Yes                                              | No |       |
| d. Any other litigation                                                                                                                                                                                                                                      | Yes                                              | No |       |
| 19. Are you JCAHO and/or NCQA accredited                                                                                                                                                                                                                     |                                                  |    |       |
| 20. During the last 3 years has any regulatory or accredited body denied, suspended or revoked or granted any license, certification or accreditation of any operation, department or facility<br>If Yes, please provide complete details                    | Yes                                              | No |       |

**PART VI – EMPLOYMENT PRACTICES LIABILITY, IF APPLICABLE**

1. Provide the total number of employees:  
 Full-time: \_\_\_\_\_ Part-time: \_\_\_\_\_ Temporary: \_\_\_\_\_ Contract: \_\_\_\_\_ Volunteer: \_\_\_\_\_ Other: \_\_\_\_\_
2. Employee Salary Range (including Bonus) Up to \$50,000 \_\_\_\_\_ \$50,001 - \$150,000 \_\_\_\_\_ Over \$150,000 \_\_\_\_\_
3. Percentage of employees who are union: \_\_\_\_\_
4. In the past 12 months, how many employees left your employment for reasons that were:  
 Voluntary: \_\_\_\_\_ Involuntary: \_\_\_\_\_ Laid off: \_\_\_\_\_
5. Do you conduct background checks on volunteers? N/A: Yes No
6. Do your employees (including owners, officers, partners, or shareholders) work in any other state: Yes No  
 If Yes, please list other states: \_\_\_\_\_
7. Have more than 25% of the officers or management left the company (voluntary or terminated) within the past 18 months? Yes No  
 If Yes, provide details on a separate page.
8. Do you anticipate layoffs, staff reductions, or facility changes in the next 12 months? Yes No  
 If Yes, what percentage of the workforce will be affected: \_\_\_\_\_
9. Do you have a separate Human Resources Department? Yes No
10. Are employment issues related to terminations, discrimination, sexual harassment, and layoffs handled by a Human Resource professional or outside counsel? Yes No  
 If No, please provide details on how issues are handled.
11. Do you publish and distribute an employee handbook to every employee? Yes No  
 If a handbook is not distributed to every employee, do you have written procedures in place that are distributed to each employee regarding:
  - a. Employment at Will? Yes No
  - b. EEO and ADA accommodation statement? Yes No
  - c. Anti-discrimination and anti-harassment policies? Yes No
  - d. Complaint resolution and grievance procedures? Yes No
12. Have you had any complaints, charges or hearing involving:
  - a. Any Civil complaint regarding Employment Practices Liability, including any class action? Yes No
  - b. Any Federal, state or local government agency regarding Employment Practices Liability? Yes No

**PART VII – FIDUCIARY LIABILITY, IF APPLICABLE**

1. Please provide the information for each Plan to be covered as follows:

PLAN NAMES	PLAN ASSETS (MARKET VALUE)	TYPE OF PLAN*	# OF PARTICIPANTS	PLAN STATUS**

\*Defined Benefit = DB; Defined Contribution = DC; ESOP; Welfare = W; Other = O

\*\*Active = A; Merged = M; Terminated = T; Frozen = F

List any additional plans: \_\_\_\_\_

2. Do all of the plans conform to the standards of eligibility, participation, vesting and other provisions of the Employee Retirement Income Security Act of 1974, or as amended? Yes No
3. Are assets managed by an investment manager as defined in ERISA? Yes No  
 If No, please provide details: \_\_\_\_\_

4. In the past 24 months have there been, or do you anticipate in the coming 12 months any amendments(s) to any plan(s) or has any amendment been contemplated, that resulted in or may result in any change or reduction or benefits, including but not limited to an increase in participants' share of costs? If Yes, please provide details:	Yes	No
5. Are the plans reviewed at least annually to assure there are no violations of any plan trust agreements, prohibited transactions or part in interest rules?	Yes	No
6. Do you follow procedures to determine the reasonableness of all plan fees, including revenue sharing agreements? If No, please provide details on how you determine fee arrangement(s) are reasonable.	Yes	No
7. Are any plans managed by an independent third-party administrator? If Yes, how often is the performance reviewed: If Yes, how often are request for proposals conducted	Yes	No
8. Are any of the Plan assets invested in your organization's own securities?	Yes	No

**PART VIII – CLAIMS HISTORY**

During the last five (5) years, has any claim that would fall within the scope of the proposed insurance been made against the applicant or against any entity or individual proposed for coverage under this insurance? Yes      No  
 If Yes, please provide the date of loss, claimant name, claim status, and defense and indemnity payments.

With respect to any liability coverage that you do not currently purchase or any requested limits of liability that are higher than you currently purchases, are you or any individual or entity proposed for coverage under this insurance aware of any fact, circumstance, situation, transaction, event, act, error or omission that you, any such individual or any such entity has reason to believe may, or could reasonably be foreseen to, give rise to a claim that may fall within the scope of the proposed insurance? Yes      No  
 If Yes, please provide details.

Please note that your POLICY will not cover, nor will Physicians Insurance Risk Retention Group, Inc. be liable for, CLAIMS based upon, arising from, or in consequence of any EVENT, if written notice of, or constructive notice of, such EVENT has previously been give to another insurer that covers CLAIMS under any coverage section of which this AGREEMENT is a replacement, or if the INSURED has constructive notice of such EVENT and fails to disclose the EVENT to Physicians Insurance Risk Retention Group, Inc.

**PART IX – REMARKS**

THE FOLLOWING DOCUMENTS ARE REQUIRED TO BE SUBMITTED WITH THIS APPLICATION:

1. Most recent audited Financial Report
2. List of shareholders, along with percent ownership (if applying for D&O coverage)
3. Name of parent company and/or current list of Subsidiaries
4. Loss History with a valuation date within the past ninety (90) days, with details of losses.

**APPLICANT'S REPRESENTATION (PLEASE READ CAREFULLY)**

I, the authorized representative, hereby represent that the information contained in this application and any supplementary submission is complete and true and that no material facts which are reasonably likely to influence the judgment of Physicians Insurance Risk Retention Group, Inc. in considering this application have been omitted. I agree that this shall be the basis of the policy of insurance requested. I further agree that I will promptly notify Physicians Insurance Risk Retention Group, Inc. of any changes contained in this application or any supplementary submissions and that Physicians Insurance Risk Retention Group, Inc. has the right to make any inquiry or investigation with respect to this application, modify, or withdraw any proposal for insurance.

This application must be signed by the Chief Executive Officer, Chief Financial Officer or an authorized representative of the Applicant.

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**Signature of Applicant**

**Date**

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**Print Full Name and Title**

*I understand that signature of this application does not bind the company to complete this insurance.*

**(A photocopy or facsimile of this Authorization shall be considered as effective and valid as the original.)**

**CALIFORNIA APPLICANTS:** FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM: ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

**COLORADO APPLICANTS:** IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE, AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATED AGENCIES.

**DISTRICT OF COLUMBIA APPLICANTS:** ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**MAINE APPLICANTS:** THE COMPANY WILL NOT RESCIND OR VOID ANY POLICY ISSUED IN MAINE DUE TO FRAUD OR A MISREPRESENTATION WITHOUT FIRST OBTAINING A COURT RULING THAT VOIDANCE OR RESCISSION OF THE POLICY IS PERMITTED. HOWEVER, IN THE EVENT OF A MISREPRESENTATION, OMISSION, CONCEALMENT OF FACT OR INCORRECT STATEMENT IN THIS APPLICATION OR INFORMATION PROVIDED TO US TO OBTAIN INSURANCE, THE COMPANY MAY CANCEL THE POLICY AND/OR DENY COVERAGE FOR ANY CLAIM IF SUCH MISREPRESENTATION, OMISSION, CONCEALMENT OF FACT OR INCORRECT STATEMENT WAS FRAUDULENT OR MATERIAL. IN ACCORDANCE WITH 24-A M.R.S.A. 2186(3), IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR DENIAL OF INSURANCE BENEFITS.

**MARYLAND APPLICANTS:** THE COMPANY WILL NOT VOID ANY POLICY ISSUED IN MARYLAND. HOWEVER, COVERAGE WILL NOT BE PROVIDED IF WE DISCOVER CONCEALMENT, MISREPRESENTATION, OR FRAUD. ANY PERSON WHO KNOWINGLY OR WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY OR WILLFULLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**NEW HAMPSHIRE APPLICANTS:** THE COMPANY WILL NOT VOID ANY POLICY OR DENY COVERAGE TO ANY INSURED(S) IN NEW HAMPSHIRE IF THE INSURED(S) HAD NO KNOWLEDGE OF CONCEALMENT, MISREPRESENTATION OR FRAUD. HOWEVER, THE COMPANY WILL NOT COVER ANY CLAIMS AGAINST ONE OR MORE INSUREDS WHO HAS INTENTIONALLY CONCEALED OR MISREPRESENTED A MATERIAL FACT, ENGAGED IN FRAUDULENT CONDUCT, OR MADE A FALSE STATEMENT RELATING TO THIS INSURANCE.

**NEW JERSEY APPLICANTS:** IN ACCORDANCE WITH N.J. STAT § 17:33A-6 (C), ANY PERSON WHO INCLUDES FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

**OKLAHOMA APPLICANTS:** WARNING: ANY PERSON, WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

**OREGON APPLICANTS:** ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD 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 MAY HAVE COMMITTED A FRAUDULENT INSURANCE ACT, WHICH MAY BE A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

**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.

**VIRGINIA APPLICANTS:** IN ACCORDANCE WITH VIRGINIA CODE 52-40, IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR DENIAL OF INSURANCE BENEFITS.

**WASHINGTON APPLICANTS:** THE COMPANY WILL NOT VOID ANY POLICY ISSUED IN WASHINGTON UNLESS THE INSURED(S) OR SOMEONE ACTING ON BEHALF OF THE INSURED(S) INTENTIONALLY CONCEALS OR MISREPRESENTS A MATERIAL FACT OR CIRCUMSTANCE RELATING TO THIS INSURANCE. 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.

**ALABAMA, ALASKA, ARIZONA, ARKANSAS, DELAWARE, FLORIDA, IDAHO, INDIANA, KENTUCKY, LOUISIANA, MINNESOTA, NEW MEXICO, NEW YORK, OHIO, RHODE ISLAND, TENNESSEE, TEXAS, WEST VIRGINIA APPLICANTS:** ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS MATERIALLY FALSE INFORMATION IN AN APPLICATION FOR INSURANCE MAY BE GUILTY OF A CRIME AND MAY BE SUBJECT TO CRIMINAL AND CIVIL PENALTIES WHICH MAY INCLUDE VOIDING OF THE POLICY IF ALLOWED BY STATE LAW.