



PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY (PACE)
DIRECTORS' & OFFICERS' LIABILITY INSURANCE

This is an application for a claims-made policy which, subject to its provisions, applies only to any Claim first made against the Insureds during the Policy Period. No coverage exists for Claims first made after the end of the Policy Period unless, and to the extent, the Extended Reporting Period applies.

Section I

Applicant Information

Applicant to be named in Item 1 of the Declarations (Named Entity):

Address:

City: State: Zip Code:

Telephone: () Fax:

Email:

- 1. Is the Applicant currently a Non Profit entity under the IRS code 501(c)?
2. Years in business: a. less than 3 b. 3-5 c. 6-10 d. more than 10
3. Affiliations: National PACE Association Member AAHSA Member Other:
4. Is coverage requested for any For Profit subsidiaries? If yes, please attach a list along with Nature of Operations for each (coverage is not necessarily guaranteed) ..

Section II

Exposure

Contracted services are not automatically covered under this policy.

of PACE Participants: Current Year: ; Last Year: Next Year's Projection:

Please identify the services provided including those that are contracted out to other organizations:

Table with 4 columns: Type of Service, Contracted?, Type of Service, Contracted?. Rows include Adult Day, Home Health, Transportation, Skilled Nursing Facility, Assisted Living, Senior Housing/Independent Living Facility.

Other than the minimum required PACE services, please identify additional services provided to participants.

Section III

Financial Information

Based upon the most recent CPA audited financial information:

- 1. What is the applicant's annual revenue?
2. What are the applicant's total assets?
3. What is the applicant's total fund balance/net assets?
4. What is the applicant's net income?
5. What is the applicant's Long Term Debt?
6. Has any auditor issued a going concern opinion?
7. Has the applicant changed auditors in the past 2 years?
8. Is the applicant currently in or planning an expansion of its facility?

Section IV

Underwriting Information

Contracted employees are not automatically covered under the policy.

1.# of Employees:

a. Current Year: Full-Time:_____ Part-Time:_____ Contracted: _____
Volunteers: _____

Last Year: Full-Time:_____ Part-Time:_____ Contracted: _____
Volunteers: _____

b. Percentage of employee (including full time, part time, volunteers,
loaned and/or leased, temporary or seasonal) turnover in the last year? _____% (If more than 40%, please provide details).

2a. Does the Applicant have any written guidelines or procedures addressing the following? (check all that apply and provide written explanation for any unchecked items):

- Discrimination? Sexual Harassment? Termination?

b. Does the Applicant distribute written guidelines, an employee handbook or policies and procedures to all employees? Yes No

If Applicant has more than 100 employees, please complete Questions #3 and #4.

3a. Does the Applicant have any written guidelines or procedures for addressing human resource personnel management issues in the following areas? (check all that apply and provide written explanation for any unchecked items):

- Hiring/Interviewing? Disability accommodations?
- Employee at will statements and employee contract disclaimers? Employment evaluations?
- New employee orientation? Grievance and discipline policies and procedures?
- Unlawful harassment or discrimination of third parties?

b. Does the Applicant:

- Use specific counsel for employment advice? Yes No
- Conduct employee and supervisor training in any of the areas mentioned in 2(a) and 3(a)? Yes No
- Perform any drug testing to screen personnel for employment or to promote or monitor employees? Yes No

4. Does the Applicant have a full-time Human Resource manager? Yes No

If yes, please provide the name of the Human Resource manager.

If not, please provide the name and title of the individual responsible for the Applicant's human resource issues.

Name: _____

Title: _____

Section V

Loss/Claim History

Please Note: If applicant currently purchases a CNA Not-for-Profit D&O policy, this Loss/Claim history section is inapplicable.

1. Within the past three years, has any proposed insured reported any claim under a previous policy or received any claim, complaint, suit, inquiry or notice of hearing before or by any federal, state or local investigative agency, regulatory body, judicial body, legislative committee or entity, or any other party? * Yes No

**If "yes", please attach detailed information.*

Section VI

Desired Limits

___ \$1,000,000 aggregate limit of liability each policy year

___ Other: _____

(Up to \$5,000,000 available. Audited financials will be required for limits exceeding \$1,000,000)

Section VII

Prior/Other Insurance Information

D&O Liability Insurance:

Insurer: _____ Policy Period: _____ to _____

Limit: \$ _____ Deductible: \$ _____ Premium: \$ _____

Has any prior carrier indicated an intent to not offer renewal terms?* Yes No

Has the extended reporting period been exercised for the previous policy?* Yes No

*If "yes" to any of the above, please attach detailed information.

General Liability Insurance:

Insurer: _____ Policy Period: _____ to _____

Limit: \$ _____ Deductible: \$ _____ Premium: \$ _____

Section VIII

Warranty

Please Note: For Alaska, Florida, Maine, North Carolina, New Hampshire and Virginia Residents ONLY: the title and any reference to the word "Warranty" in this application is deleted and replaced with "Applicant Representation."

If applicant currently purchases a CNA Not-for-Profit D&O policy, this Warranty section is inapplicable.

None of the individuals to be insured under any Coverage Part (the "Insured Persons") is responsible for or has knowledge of any wrongful act or fact, circumstance or situation which (s)he has reason to suppose might result in a future claim, except as follows:

A. Exceptions to the Warranty: Yes (Please attach details)

B. No Exceptions: Please check here if there are no exceptions to the warranty

1. It is agreed by all concerned that if any of the Insured Persons is responsible for or has knowledge of any wrongful act, fact, circumstance, or situation which (s)he has reason to suppose might result in a future claim, whether or not described above, any claim subsequently emanating therefrom shall be excluded from coverage under the proposed insurance as to (i) such of the insured persons and (ii) the applicant, subsidiaries and the plan if such insured persons are executive officers. The responsibility or knowledge of any individual shall not be imputed to any other individual for the purposes of determining the availability of coverage.
2. It is declared that this application and any materials submitted or required (which shall be maintained on file by the Insurer and be deemed attached as if physically attached to the proposed Policy) are true and are the basis of the proposed Policy and are to be considered as incorporated into and constituting a part of the proposed Policy.
3. The undersigned declares that to the best of his/her knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information from all of the Insured Persons to facilitate the proper and accurate completion of this application for the proposed Policy. Signing of this application does not bind the undersigned to purchase the insurance, but it is agreed that this application shall be the basis of the contract should a Policy be issued, and this application will be attached to and become part of such Policy. The undersigned agrees that if after the date of this application and prior to the effective date of any Policy based on this application, any occurrence, event or other circumstance should render any of the information contained in this application inaccurate or incomplete, then the undersigned shall notify the Insurer of such occurrence, event or circumstance and shall provide the Insurer with information that would complete, update or correct such information. Any outstanding quotations may be modified or withdrawn at the sole discretion of the Insurer.
4. The information requested in this application is for underwriting purposes only and does not constitute notice to the Insurer under any Policy of a claim or potential claim. All such notices must be submitted to the Insurer pursuant to the terms of the Policy, if and when issued

The undersigned acknowledges that he or she is aware that Defense Costs, which are subject to the Retention Amounts, reduce and may exhaust the Limit of Liability. The Insurer is not liable for any Loss (which includes Defense Costs) in excess of the Limit of Liability

This application must be signed by the Chairman of the Board, Chief Executive Officer or the President.

Signed: _____

Print Name: _____

Title: _____

Date: ____/____/____

Submitting Agent: _____ Agency Name: _____

Licensed in Insured State? _____ Yes _____ No

If Yes, provide Agency License No. _____ and Exp. Date: _____

If not, please explain: _____

Please submit this application, when completed, signed and dated, to:

Aon Association Services
1120 20th Street, NW
Suite 600
Washington, DC 20036

Phone: 800.865.7307 ext.5373 Fax: 800-701-1982

www.InsurePACE.com

FRAUD NOTICE - WHERE APPLICABLE UNDER THE LAW OF YOUR STATE

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 may be subject to civil fines and criminal penalties (For DC residents only: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by applicant.) (For FL residents only: 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.) (For LA residents only: 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.) (For ME residents only: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.) (For NY residents only: 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.) (For OK residents only: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, make any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.) (For PA residents only: 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.) (For TN & WA residents only: Penalties include imprisonment, fines and denial of insurance benefits.) (For VT residents only: 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 or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which may be a crime and may be subject to civil fines and criminal penalties.)

Administered by:



Underwritten by:



Endorsed by:



The coverage descriptions above are general in nature and for informational purposes. To see the actual terms of coverage, please refer to the policy. If there is any conflict between the description contained above, and the terms of the policy, the terms of the policy shall control. Aon Association Services, a Division of Affinity Insurance Services, Inc. in CA (Insurance License #0795465), MN & OK a Division of AIS Affinity Insurance Agency, Inc. and in NY & NH a Division of AIS Affinity Insurance Agency and in MT dba Aon Association Services.