

Smart Investment Advisor Insurance™ Application

Whenever used in this Application, the term “Applicant” shall mean the Named Organization and all organizations and funds applying for coverage. Include all requested underwriting information and attachments. Provide a complete response to all questions and attach additional pages if necessary. Complete the applicable sections of the Application for each Coverage Part for which renewal coverage is requested.

1. Company Name

2. Primary Website¹

3. Company Address

4. State of Incorporation

5. Date of Incorporation

Ownership

6. Applicant Ownership Structure:

Publicly Traded

Partnership

Joint Venture

Private Corporation

Limited Liability Company

Other (attach details)

7. Have there been any changes in ownership of the Applicant over the past 12 months, or are there any anticipated changes in ownership (including an IPO, acquisition, divestiture, merger, or offer) over the next 12 months?

Yes

No

If Yes: Please attach additional details.

8. Does the Applicant have a subsidiary or affiliate for which coverage is requested, please attach details separately detailing name of business, date acquired or created and percentage owned.

Yes

No

If Yes: Please attach additional details and percentage owned.

Regulatory

9. Is the Applicant SEC Registered? **Yes** **No**

If No: Is the Applicant exempt from SEC registration? **Yes** **No**

10. Has the Applicant:

10a. Had an inspection or presence exam been conducted by a regulatory authority in the past 5 years? **Yes** **No**

If Yes: Attach a copy of any deficiency letter and management's response.

10b. Been contacted by the SEC for an upcoming exam? **Yes** **No**

10c. Used a third party vendor to conduct mock compliance exams? **Yes** **No**

If Yes: Please provide additional details:

Vendor Name

Date of Last Exam

Assets Under Management by Applicant

<input type="text"/> %	Mutual Funds	<input type="text"/> %	Limited partnership / General partnerships or similar
<input type="text"/> %	Cash	<input type="text"/> %	Pooled Investment vehicles
<input type="text"/> %	Closed-end investment companies	<input type="text"/> %	Foreign securities
<input type="text"/> %	Open-end investment companies	<input type="text"/> %	Unlisted stocks
<input type="text"/> %	Variable annuities	<input type="text"/> %	Unregistered securities
<input type="text"/> %	Investment grade bonds	<input type="text"/> %	Index linked securities
<input type="text"/> %	Listed stocks	<input type="text"/> %	Junk bonds/below investment grade
<input type="text"/> %	Exchange traded funds (ETF) excluding leveraged and inverse	<input type="text"/> %	Promissory Notes/Leases/Receivables
<input type="text"/> %	Leveraged exchange traded funds	<input type="text"/> %	Hedge funds
<input type="text"/> %	Inverse exchange rate funds	<input type="text"/> %	Fund of hedge funds
<input type="text"/> %	Municipal securities	<input type="text"/> %	Asset backed securities, mortgage-backed securities, CMO, CDOs
<input type="text"/> %	Options	<input type="text"/> %	Private placements
<input type="text"/> %	REITs publicly traded	<input type="text"/> %	REITs privately traded
<input type="text"/> %	Other: <input type="text"/>		

Applicant Annual Revenue

Investment Advisory

Financial Planning

Other (describe)

Total

Investment Operations

11. Does the Applicant plan to launch or close any Funds or strategies within the next 12 months? Yes No

If Yes: Please attach additional details.

12. Has the Applicant received any notice from an outside auditor describing a material weakness in internal controls in the past 2 years? Yes No

If Yes: Please attach additional details.

13. Does the Applicant:

13a. Engage in side letter arrangements? Yes No

If Yes: Do such side letters amend the economics of an investment or allow for preferential fees, liquidity, or transparency? Yes No

If Yes: Are these arrangements disclosed to all investors? Yes No

13b. Invest in, originate, syndicate, or service any loans? Yes No

13c. Use expert networks? Yes No

14. Does the Applicant perform advisory or other professional services for any third parties other than Funds, separately managed accounts, investors or portfolio companies? Yes No

Conflicts of Interest

15. Do you or any of your partners, members, managers, officers, directors, employees, or associated professionals:

15a. Act as both trustee and adviser to any customer?	Yes	No
15b. Act as a director, partner, member, manager, officer, employee, or any other position of control for any organization in which customers are solicited to invest?	Yes	No
15c. Advise or solicit customers to invest in any enterprise in which any firm member, customer or associated person has more than 5% ownership interest?	Yes	No

Loss / Claims Information

16. During the past 3 years, has the Applicant given notice of any claim, circumstance, potential claim, or loss to any insurer under any insurance policy similar to the policy applied for?

Yes No

If Yes: Please attach details for each such matter.

17. During the past 3 years and other than as described in response to question 16 above, has any person or entity proposed coverage under the policy applied for been the subject of, or involved in, any demand or proceeding regarding actual or alleged violation of:

17a. Securities laws?	Yes	No
17b. Employment laws?	Yes	No
17c. Antitrust, copyright or patent laws?	Yes	No
17d. Representative actions, class actions, or derivative suits?	Yes	No
17e. Governmental, regulatory or administrative proceeding or investigation regarding any actual, alleged, or possible violation of law?	Yes	No

If Yes to any part of question 17: Please attach details for each such matter.

IT IS AGREED THAT ANY CLAIM FOR, BASED UPON ARISING FROM, OR IN ANY WAY RELATED TO ANY ACTUAL OR ALLEGED CLAIM, CIRCUMSTANCE, OR OTHER MATTER DESCRIBED IN A, B, OR C ABOVE WILL BE EXCLUDED UNDER THE POLICY APPLIED FOR.

Prior Knowledge (Do Not Complete for Renewal Applications)

18. Does any person or entity proposed for coverage under the policy applied for have any knowledge of, or information concerning, any actual or alleged act, error, omission, fact or circumstance which may result in a claim that may fall within the scope of coverage under the policy applied for?

Yes**No**

If Yes: Please attach details for each such matter.

IT IS AGREED THAT ANY CLAIM FOR, BASED UPON, ARISING FROM OR IN ANY WAY RELATED TO ANY ACTUAL OR ALLEGED ACT, ERROR, OMISSION, FACT OR CIRCUMSTANCE OF WHICH ANY SUCH PERSON OR ENTITY HAS ANY KNOWLEDGE OR INFORMATION WILL BE EXCLUDED UNDER THE POLICY APPLIED FOR.

Coverage Part (list limits for checked items)

Directors and Officers Liability

Professional Liability

Fund Coverage

Employment Practices Liability

Fiduciary Liability

Declarations

1. The Applicant declares that all written statements and materials (including any information provided in the attached Appendices) furnished to the Insurer in conjunction with this Application are hereby incorporated by reference into this Application and made a part hereof.
2. The statements and answers made in this application, any attachments to this application, and the information provided or made available by the Applicant to the Insurer in connection with the underwriting of the proposed insurance are accurate and complete and made on behalf of all proposed Insureds (bolded). Such statements and information are material inducements to the Insurer to provide a proposal for insurance. Any policy the Insurer issues will be issued in reliance upon such statements and information.
3. The Applicant will report to the Insurer immediately, in writing, any material change in the Applicant's operations, condition, or answers provided in this application that occur or are discovered between the date of this application and the effective date of any policy, if issued. The Insurer reserves the right to modify or withdraw any proposal for insurance the Insurer has offered if such a material change occurs.

Footnotes

¹ Corvus runs a scan on the Applicant's primary corporate website and any affiliated sites in order to create our Dynamic Loss Prevention report. We include the high-level results of the scan in our quote along with a preview of several personalized recommendations for the Applicant. After the Applicant binds a quote, Corvus generates a full report detailing the results of the scan, including all of our personalized recommendations for the Applicant.

² You will be added to our software platform, the CrowBar, which provides helpful risk management advice, alerts and services.

Notices

Notice to All 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, for the purpose of misleading, conceals information concerning any fact material thereto, may commit a fraudulent insurance act which is a crime and subjects such person to criminal and civil penalties in many states.

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 policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claiming with regard to a settlement or award payable for insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Notice to District of Columbia and Louisiana Applicants: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Notice to Florida Applicants: Any person who knowingly and with intent to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Notice to Oklahoma Applicants: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

Notice to Kansas Applicants: An act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

Notice to Maine, 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 may include imprisonment, fines and/or denial of insurance benefits.

Notice to Maryland Applicants: 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.

Notice to New Hampshire Applicants: Any person who, with a purpose to injure, defraud or deceive an insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud as provided in RSA 638:20.

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 \$5,000 and the stated value of the claim for each such violation.

Notice to 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 purposes 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.

Applicant Signature

Print Name

Date

Applicant Title

Applicant Email⁶ (optional)

Hedge Fund Information

Please attach a copy of the following:

- Most recent audited financial statements
- Most recent Annual Report or Investor Presentation
- Fund performance data

1. Does the Applicant:

1a. Utilize a systemic, algorithmic or high frequency trading strategy? **Yes** **No**

1b. Engage in side pocket arrangements? **Yes** **No**

1c. Invest in illiquid investments? **Yes** **No**

If Yes: Please provide a copy of valuation policy and name of independent valuation agent if used.

1d. Utilize leverage? **Yes** **No**

If Yes: What is the maximum allowable?

2. Has the Applicant, in the past 3 years:

2a. Filed a Schedule 13D with the SEC as an activist investor? **Yes** **No**

2b. Lowered gates or suspended redemptions for any Fund? **Yes** **No**

3. Please provide a percentage breakout of long and short investments within the portfolio.

 %

Short

 %

Long

4. Please provide private fund information:

	Private Fund 1
Name	
Creation Date	
Current Assets	
Assets 12 Months Prior	
General Partner / Managing Member Equity	
Strategy	
Investor Lock Up Period	
Minimum Investment	
Maximum Leverage Ratio	

	Private Fund 2
Name	
Creation Date	
Current Assets	
Assets 12 Months Prior	
General Partner / Managing Member Equity	
Strategy	
Investor Lock Up Period	
Minimum Investment	
Maximum Leverage Ratio	

	Private Fund 3
Name	
Creation Date	
Current Assets	
Assets 12 Months Prior	
General Partner / Managing Member Equity	
Strategy	
Investor Lock Up Period	
Minimum Investment	
Maximum Leverage Ratio	

Mutual Fund Information

1. Please provide a list of mutual funds with accompanying ticker symbols.

Name of Mutual Fund

Ticker Symbol

Name of Mutual Fund

Ticker Symbol

Name of Mutual Fund

Ticker Symbol

Name of Mutual Fund

Ticker Symbol

Name of Mutual Fund

Ticker Symbol

Name of Mutual Fund

Ticker Symbol

Name of Mutual Fund

Ticker Symbol

Name of Mutual Fund

Ticker Symbol

Cost of Corrections Information

1. Average daily trading volume:

Total Number of Trades

Dollar Value

2. Does the Applicant have a computer compliance program/system used to monitor transactions for investment and regulatory compliance, including whether it is pre-trade, post-trade, or both?

Yes

No

3. Does the Applicant maintain an account in order to offset losses caused by trades errors?

Yes

No

4. Are trade orders ever given verbally?

Yes

No

5. Do written agreements with Funds or clients limit the advisor's liability for trade error loss?

Yes

No

6. Does the Applicant disclose its policy with regard to trade error losses to all investors and clients?

Yes

No

7. Are there formal, written trade error resolution procedures?

Yes

No

8. In the past 3 years, how many trade errors:

Were detected?

Exceeded \$50,000?

Required remedies?

Fiduciary Information

1. Please provide the names of all of the Applicant's own employee plans if requesting coverage.

Plan 1

Plan 2

Plan 3

Please attach details of additional funds if necessary.

2. Do any Plans invest in affiliated funds? Yes No

If Yes: Please attach a schedule.

3. Do any Plans utilize revenue sharing arrangements to compensate service providers? Yes No

4. How often is there a review of:

4a. Fees paid by the plans? Quarterly Semiannually Annually

4b. Investment options in the Plans and their performance? Quarterly Semiannually Annually

5. Is a third-party engaged to help conduct any of the above reviews? Yes No

If Yes: Please identify the third-party:

Employment Practices Information

1. Employee count:

	Current Year	Prior Year
Full time employees		
Part time employees		
Employees located in California		
Employees located in Illinois		
Employees located in New Jersey		
Employees located in New York		
Employees located in Texas		
Employees located outside of US		

2. Employee profile:

Age Range	Number of Employees
21 and under	
22 - 35	
36 - 49	
50+	

Sex	Number of Employees
Female	
Male	
Prefer not to say	

3. Annual Compensation (salary + bonus):

Compensation Range	Percentage of Workforce
Less than \$100,000	
\$100,000 - \$250,000	
Over \$250,000	

4. Employee terminations in the past 12 months:

	Number of Employees	Number of Claims Release Waivers Signed
Involuntary Terminations		
Voluntary Terminations		

5. Were any of the terminations in the past year, voluntary or involuntary, members of the senior management team? Yes No

If Yes: Please provide additional details and confirm waivers were signed.

6. Has employee turnover exceeded 25% in any of the last 3 years? Yes No

7. In the next 12 months, does the Applicant expect to experience any:

7a. Layoffs, terminations, workplace reductions? Yes No

7b. Changes to Senior Management or Board of Directors? Yes No

8. Does the Applicant have formal written policies and procedures in place regarding:

8a. Anti-discrimination Yes No

8b. Anti-sexual harassment Yes No

8c. Employment at will Yes No

9. Does the Applicant:

9a. Have a full time HR manager or department? Yes No

If No: Who manages the HR function?

9b. Provide and document training regarding discrimination and workplace harrassment for all employees? Yes No

If Yes: How often?

9c. Review all terminations with HR or external legal counsel? Yes No

9d. Distribute and record the receipt of employee handbooks to all employees? Yes No